



NARMADA GELATINES LIMITED

The Bombay Stock Exchange Ltd.
Corporate Relationship Department
1st Floor, New Trading Ring, Ratunda Bldg.,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001

27th September, 2016

BSE Security Code: 526739

Dear Sir,

Sub : Annual Report of the Company for the year 2015-16

Pursuant to Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith the Annual Report of the Company for the year 2015-16. The Audited Financial Statements and the Reports of the Board of Directors and Auditors thereon as approved and adopted by the Members of the Company at the 55th Annual General Meeting of the Company held on 22nd September, 2016.

Kindly do the needful to display the same on your website.

Thanking you,

Yours faithfully,
For NARMADA GELATINES LIMITED

MAHESH VERMA
Company Secretary



Post Box No.91, Jabalpur-482 001 (M.P.) India Tel. : 0761-2830433, 517, Fax : 91-761-2830516
Regd. Office : "CARAVS" Building, 15, Civil Lines, Jabalpur - 482 001 (M.P.) Tel. : 0761-2678627
E-mail : swgljbp@sancharnet.in, ngljbp@rediffmail.com, ngljabalpur@narmadagelatines.com
Web : www.narmadagelatines.com, CIN - L24111MP1961PLC016023





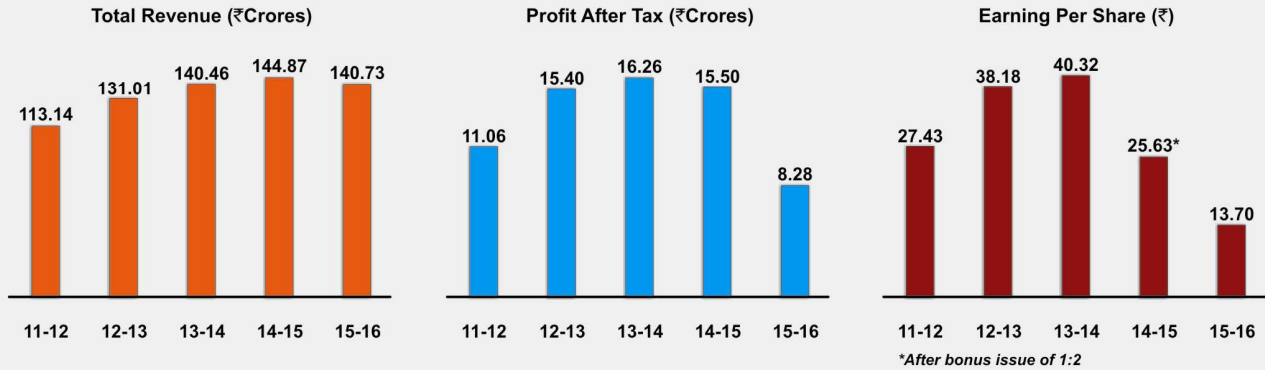
ANNUAL REPORT 2015-2016



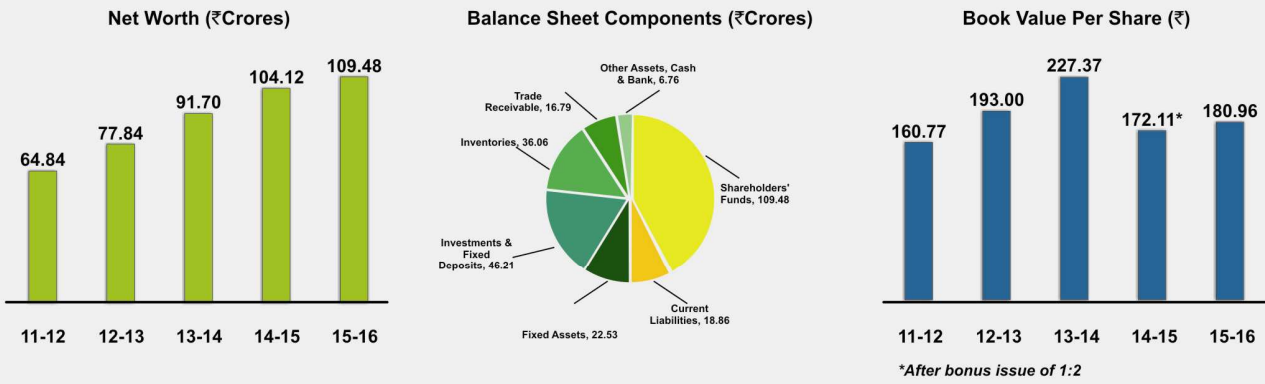
Narmada Gelatines Limited

KEY PERFORMANCE INDICATORS

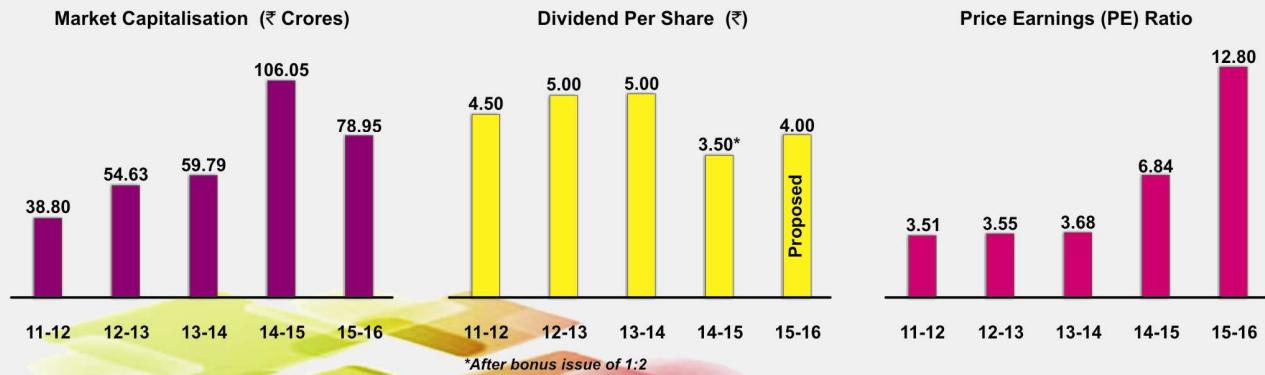
PROFIT AND LOSS METRICS



BALANCE SHEET METRICS



SHAREHOLDER METRICS



COMPANY INFORMATION

BOARD OF DIRECTORS

Justice Gulab Gupta
 Mr. Deepak Chaudhuri
 Mr. Mohan Chandra Pant
 Mr. Sanjeev Jain
 Mr. Ravindra K. Raje
 Mrs. Drushti R. Desai
 Mr. Ashok K. Kapur - Whole Time Director

BOARD COMMITTEES

Audit Committee

Justice Gulab Gupta - Chairman
 Mr. Deepak Chaudhuri
 Mr. Mohan Chandra Pant
 Mrs. Drushti R. Desai

Nomination & Remuneration Committee

Mr. Deepak Chaudhuri - Chairman
 Justice Gulab Gupta
 Mr. Sanjeev Jain

Stakeholders' Relationship Committee

Mr. Mohan Chandra Pant - Chairman
 Mr. Ravindra K. Raje
 Mr. Ashok K. Kapur

Corporate Social Responsibility Committee

Mr. Mohan Chandra Pant - Chairman
 Mr. Sanjeev Jain
 Mr. Ashok K. Kapur

Risk Management Committee

Mr. Ravindra K. Raje
 Mr. Ashok K. Kapur
 Mr. Sudhir Srivastava, Factory Manager
 Mr. S. Bhattacharya, Head - Purchase

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Mahesh Verma

CHIEF FINANCIAL OFFICER

Ms. Priya Gupta

STATUTORY AUDITORS

T.R. Chadha & Co. LLP, Mumbai

SECRETARIAL AUDITORS

Dr. Asim Kumar Chattopadhyay

BANKERS

Allahabad Bank
 IDBI Bank Ltd.
 Union Bank of India
 ICICI Bank Ltd.
 State Bank of India
 HDFC Bank Ltd.
 Axis Bank Ltd.

REGISTERED OFFICE

CARAVS", Room No. 28
 15 Civil Lines, Jabalpur - 482001 (M.P.)

FACTORY

Meerganj, Bheraghat Road
 Jabalpur (M.P.)

REGISTRARS & TRANSFER AGENT

CB Management Services Pvt. Ltd.
 P-22, Bondel Road,
 Kolkata -700019

LISTED WITH

Bombay Stock Exchange Ltd.

DEPOSITORIES

National Securities Depository Limited
 Central Depository Services (I) Limited

WEBSITE : www.narmadagelatines.com

CIN : L24111MP1961PLC016023

CONTENTS

BOARDS' REPORT	2
REPORT ON CORPORATE SOCIAL RESPONSIBILITY	6
SECRETARIAL AUDIT REPORT	8
CORPORATE GOVERNANCE REPORT	19
INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS	35
FINANCIAL STATEMENTS	39
NOTICE OF ANNUAL GENERAL MEETING	59



BOARD'S REPORT

The Directors have pleasure in presenting the 55th Annual Report of your Company and the Audited Accounts for the financial year ended 31st March, 2016.

Financial Highlights

	₹ lacs	
	Year ended 31st March 2016	Year ended 31st March 2015
Profit before Tax	1298.35	2340.40
Provision for Taxation:		
Current	460.61	767.65
Deferred	9.04	22.28
Profit after Tax	828.70	1550.47
Balance brought forward from last year	7244.34	6130.80
Amount available for appropriation	8073.05	7681.27
Less: Appropriations		
Adjustment to Fixed Assets	-	27.82
Transfer to General Reserve	82.87	155.04
Proposed Dividend on Equity Shares	241.98	211.74
Tax on proposed dividends	49.26	42.33
Balance carried forward	7698.94	7244.34

Economy Overview

Indian economic growth in 2015 rose to 7.2% - up from 5.2% in the previous year as a result of the improved macro-economic situation. The growth in agriculture, industry and services is estimated at 1.1 per cent, 7.3 per cent and 9.2 per cent in 2015-16 as opposed to (-) 0.2 per cent, 5.9 per cent and 10.3 per cent respectively in 2014-15.

The financial year 2015-16 continued to experience moderation in general price levels. The significant decline in the price of the Indian basket of crude oil, through the direct and second round effects, partly contributed to the decline in general inflation for the second successive year. The decline in core inflation was largely on account of the decline in the inflation in housing (rent), transport, communication, education and other services.

Operating Performance

During the year under review, your company recorded a turnover of ₹ 140.73 crs as compared to ₹ 144.86 crs in the previous year. The decline in turnover was primarily due to lower price realisation on gelatin products. Profit before tax declined to ₹ 12.98 crores as compared to ₹ 23.40 crores in 2014-15 on account of lower price realisation and increase in raw material input cost.

Dividends

Your Directors recommend a dividend of ₹ 4.00 per Equity Share (last year ₹ 3.50 per Equity Share) for the financial year ended March 31, 2016. The total outflow on account of the proposed dividend including dividend distribution tax will be ₹ 291.24 lacs, (previous year ₹ 254.07 lacs).

The dividend on equity shares, if approved at the ensuing Annual General Meeting, will be paid to Members whose names appear in the Register of Members as on 16th September, 2016 and to Members whose names appear on that date as Beneficial Owners as furnished by National Securities

Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Transfer to Reserves

It is proposed to transfer an amount of ₹ 82.87 lacs (being 10% of the net profits for the year) to the General Reserve.

Industry Structure and Developments

Gelatin finds use in industries such as food and beverages, pharmaceutical and cosmetics. However, cultural and religious barriers in India and scepticism on the use of gelatin derived from animals across the world are factors which inhibit the overall market growth. Growing regulatory issues, primarily in the food industry, are also challenges for gelatin manufacturers.

Opportunities and Threats, Outlook, Risks and Concerns

India continues to be categorised as "Negligible Risk" under BSE categorisation. With increasing level of awareness on environmental hazards, the state authorities are upgrading pollution control norms regularly and the industry is now required to address the issue of environment with more commitment. Your company continues to take all necessary steps to comply with pollution control norms.

Difficulty in sourcing good quality raw material and rise in raw material prices are areas of concern. The import of poor quality gelatin into India is a matter of health concern and affects proper price realisation for the gelatin produced by the domestic manufacturers. Furthermore, availability of cheap raw material in EU, USA, etc has pushed down the gelatine prices globally, which has affected the pricing in the domestic market. Large quantities of gelatin are being imported into India at prices lower than the domestic prices, which is a major concern for the industry.

While your company is taking all actions to improve product mix, yield and productivity along with cost reduction measures, the shortage of raw material due to lower meat exports is resulting in an unprecedented increase in price of raw materials. Furthermore, the drop in oil prices have affected the exports of capsules to the African countries and Russia. Cheaper imports, lower demand in the domestic market and higher raw material prices are likely to impact margins and have an adverse impact on the performance of your company, at least in the short term.

Segment-wise or product-wise performance

Gelatin, ossein and the by-product di-calcium phosphate broadly form part of one product group and hence are considered as single business segment. However, based on geographical spread, reportable segments have been identified as exports sales and domestic sales. The segment revenue information is given separately in Notes on Accounts under the disclosure as required under Accounting Standard (AS 17) - Segment Reporting and forms part of the Directors' Report.

Internal financial control and its adequacy

The Company's internal control system covers supervision, checks and balances, policies, procedures and internal audit



with the purpose to ensure that company assets are safeguarded and protected and that transactions are authorised, recorded and reported correctly. The system is reviewed and updated on an ongoing basis.

The Company's internal control system comprises audit and compliance of observations made by the Internal Auditor.

The Internal Auditor independently evaluates the adequacy of internal controls and concurrently audits the majority of the transactions in value terms. Independence of audit and compliance is ensured by direct reporting of Internal Auditor to the Audit Committee. Statutory and Internal Auditors undertake rigorous testing of the control environment of the Company.

Fixed Deposits

During the year under review, the Company did not accept any fixed deposits from the public, as defined under Chapter V of the Companies Act, 2013, and no amount on account of principal and interest on deposits from public was outstanding as on 31st March, 2016. The Company has no deposits which are not in compliance with the provisions of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Corporate Social Responsibility (CSR)

The Company recognises the need and importance of a focused and inclusive social and economic development, especially of the industry and community in which it operates. Corporate Social Responsibility (CSR) Committee recommends to the Board the activities to be undertaken by the Company for approval. As part of the initiatives, the Company has undertaken CSR projects in the areas of environment, education, livelihood, health, water, sanitation and rural development. During the year 2015-16, the Company spent ₹ 46.06 lacs on CSR activities. The Annual Report on CSR activities and a brief outline of the CSR Policy of the Company is annexed to this Report as Annexure - I.

Risk Management

The Company has in place a Risk Management framework to identify, evaluate business risks and opportunities and seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Risk Management Committee is entrusted with the responsibility to assist the Board in overseeing the risks associated with the business and risk mitigating measures to be taken by the Company. The details of the Risk Management Committee, its terms of reference, key business risks identified and mitigation plans are set out in the Corporate Governance Report.

Vigil Mechanism

The Company has in place a Whistle Blower Policy to deal with instances of fraud and mismanagement, the details of which

are explained in the Corporate Governance Report and also posted on the website of the Company.

Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any subsidiary, joint ventures or associate companies.

Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013, and Article 115 of the Articles of Association of the Company, Mr. Ravindra K Raje retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

The independent Directors viz. Justice Gulab Gupta, Mr. M.C. Pant and Mr. Deepak Chaudhuri, were appointed for a period of two years and their terms comes to an end on the conclusion of the 55th Annual General Meeting. Justice Gulab Gupta, Mr. M.C. Pant and Mr. Deepak Chaudhuri have given their consent for their appointment as Independent Directors of the Company. The Company has received notices alongwith the requisite deposits from members of the Company proposing the candidature of Justice Gulab Gupta, Mr. M.C. Pant and Mr. Deepak Chaudhuri. The Board of Directors recommends the appointment of Justice Gulab Gupta, Mr. M.C. Pant and Mr. Deepak Chaudhuri as Independent Directors for a term of five years. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Ashok K Kapur was re-appointed as a Wholetime Director of the Company with effect from 1st June, 2016 for a period of three years, subject to approval of shareholders by Special Resolution at the general meeting of the Company.

All the appointments of the Directors of the Company are in compliance with the provisions of Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

Attention of Shareholders is invited to the relevant items of the Notice of the Annual General Meeting and the Notes thereto.

Brief resume of the Directors proposed to be appointed/reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership/ chairmanship of committees of the Board, as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the section on Corporate Governance in this Annual Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and

other Committees. In addition, the Board has also carried out a review of the Board's performance as a whole. The manner in which the evaluation has been carried out is covered in the Corporate Governance Report. The Board of Directors noted the evaluation results as collated by the Nomination and Remuneration Committee.

Policy on Directors' Appointment and Remuneration

The policy of the Company is to have an appropriate number of executive and independent directors on the board.

The policy of the Company on directors' appointment and remuneration, etc. as required under Section 178 of the Companies Act, 2013, is available on the Company's website (www.narmadagelatines.com) and in the Corporate Governance Report. There has been no change in the policy since the last financial year. The remuneration paid to the directors is as per the terms laid down in the Nomination & Remuneration Policy of the Company.

Meetings

During the year four Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between two Meetings was within the period prescribed under the Companies Act, 2013.

Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm that:

- a. in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual financial statements have been prepared on a going concern basis;
- e. proper internal financial controls have been followed and that such financial controls are adequate and are operating effectively.
- f. proper systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other

designated persons which may have a potential conflict with the interest of the Company at large.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 are set out in the Note 30(e) of Notes to Financial Statements forming part of the Annual Report.

None of the Directors has any pecuniary relationships or transactions with the Company or vice versa.

Statutory Auditors and Audit Report

M/s T.R. Chadha & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the said Act.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and the Auditors Report do not contain any qualifications, reservations or adverse remarks.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Dr. Asim Kumar Chattopadhyay, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks. The Secretarial Audit Report is annexed to this Report as Annexure - II.

Transfer of Unpaid and Unclaimed amounts to IEPF

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the declared dividends and interest on debentures which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125, of the said Act. During the financial year 2015-16, the Company has transferred to the Investor Education and Protection Fund, unclaimed dividends as detailed in the Corporate Governance Report.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 17th September, 2015 (date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs.

Significant and Material Order passed by the Regulators

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

Corporate Governance Report

The Report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report. The Whole-

time Director's declaration regarding compliance with the Company's Code of Business Conduct and Ethics for Directors and Management Personnel forms part of the Corporate Governance Report. As required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors' certificate on Corporate Governance for the year ended 31st March, 2016 issued by T.R. Chadha & Co, LLP, is annexed to this Report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 is annexed to this Report as Annexure - III.

Extract of Annual Return

In accordance with the Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in Form MGT-9 is annexed to this Report as Annexure - IV.

Particulars of Employees

None of the employees of the Company is in receipt of remuneration exceeding the limits prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details in respect of directors and employees of the Company as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure - V.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a suitable policy in line with the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. An Internal Complaints Committee is in place to redress complaints received regarding sexual harassment. No complaint was received by the Company during the financial year ended 31st March, 2016.

Human Resources / Industrial Relations

The Company's human resources agenda continues to remain focused on the development of its employees, building capabilities in the organization and progressive employee relations policies.

The Company has over 500 employees. Industrial relations remained cordial throughout the year. Your Directors place on record their sincere appreciation of the significant contributions made and the continued support extended by all employees at all levels to the Company's operations during the year.

Acknowledgement

Your Directors take this opportunity to thank the Central and the State Governments, statutory authorities, bankers, vendors and business associates and all the stakeholders for their continued interest and valued support.

For and on behalf of the Board

Ravindra K Raje
Director

Ashok K Kapur
Whole-time Director

Place: Jabalpur
Date: 26th May, 2016



Annexure - I to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

The Company believes in actively contributing to the social and economic development of the communities in which it operates and in doing so, build a better, sustainable way of life for the weaker sections of the society and raise the country's human development index. Social welfare and community development is therefore at the core of the Company's Corporate Social Responsibility philosophy and this continues to be a priority.

During the year under review, the Company's contributions to the community were in the areas of health, education, infrastructure development and contributions to other social development organisations. The Company also supported and partnered with several NGOs in community development and health initiatives. Some of the social activities carried out by the Company were as under:

Environment

The Company carried out plantation of trees, maintenance of green belts and gardens in and around the manufacturing unit. Mangrove plantation in the factory premises and surrounding areas, vermi-compost of waste and its use as manure, recycling of treated water in cooling water system and in horticulture activities, etc. are regular activities undertaken by the Company.

The Company and its employees regularly promote and participate in projects for cleanliness of river Narmada through cleaning banks, putting up flex, banners and wall painting messages. The company sponsored various programmes for environment protection like Marathon 'Run Jabalpur Run' for environment protection, 'Narmada Mahotsava' and 'Narmada Jayanti'.

Social Responsibility and Community Development

Supply of drinking water in the surrounding villages and installation of drinking water connections were undertaken during the year. In addition, the Company provided drinking water at various locations around the factory during the summer season.

Education

Education remains as one of the focus areas of social development and the Company supports academics at all levels. The Company provides assistance to schools such as Parivartan, Sadhu Vaswani Mission and Ekal Vidyalaya (Friends of Tribal Society). The Ekal Vidyalaya movement aims to help eradicate illiteracy from rural and tribal India. The Company also provides scholarships to poor girls of the locality and educational support to various poor children through contributions to Charitable Institution and Hamara Jabalpur for 'Balika Prothshahan Yojana'. The Company also aided the repairs and maintenance of schools located in the nearby villages and provided financial help to meritorious but financially challenged students.

Religious and cultural programs

The Company contributes to various local religious and cultural programmes. During the traditional Navratri Garba festival, the Company contributed to various programs. Financial assistance and support was given to community festivals. The Company also assisted in the marriage of poor women.

Community Health Care

The Company conducts regular health checks and medical diagnostic camps. The Company also arranged for sprinkling of medicines and insecticides in the surrounding villages to prevent diseases and to promote cleanliness.

Swachh Bharat Mission

To promote the national mission on cleanliness "Swachh Bharat Mission", your Company has contributed towards construction of toilets in the nearby village / girls' schools.

Brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programmes.

The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

The Company shall constantly strive to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It shall also pursue initiatives related to quality management, environment preservation and social awareness, in the areas as detailed below:

- (i) Promoting health care including preventive healthcare and sanitation and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining of soil, air and water;
- (iv) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-



economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

- (v) Rural development projects;
- (vi) Promote and participate in projects for cleanliness of Narmada river;
- (vii) Promote education of girl child and the underprivileged by providing academic support, assistance to schools, sponsorships for eradicating illiteracy;
- (viii) Emphasis on regular health checks and medical aid/ health care facilities with special focus for the mother and child as well as the old aged persons of surroundings and making available of safe drinking water;
- (ix) Promote and sponsor various sports activities and games organized by local gram panchayat;
- (x) Promote and support local religious and cultural programmes.
- (xi) Other areas as may be notified by the Government from time to time.

The CSR policy is available on the company's website <http://www.narmadagelatines.com>

Composition of the CSR Committee:

- Mr Mohan C Pant, Chairman - Independent Director
- Mr Sanjeev Jain - Director
- Mr Ashok K Kapur - Wholetime Director

Average net profit of the Company for last three financial years : ₹ 2307.02 lacs

Prescribed CSR Expenditure : ₹ 46.14 lacs towards CSR.

Details of CSR spend for the financial year :

- a. Total amount spent for the financial year : ₹ 46.06 lacs
- b. Amount unspent, if any : Nil
- c. Manner in which the amount was spent during the financial year is detailed below :

Projects / Activities	Sector	Location	Amount Outlay (Budget) Project or Program-wise	Amount Spent on the project or programs	Cumulative Expenditure Upto Reporting period	Amount spent: Direct or through Implementing agency*
Educational scholarship, provision of books and educational aid to Govt./ other schools	Literacy	Jabalpur (M.P.), Delhi and Pune (Maharashtra)	25.00	26.26	26.26	26.26
Medical and health camps, promotion of healthcare activities, etc.	Healthcare	Jabalpur and surrounding villages	5.00	0.50	0.50	0.50
Providing safe drinking water to community, support in construction of toilets, drainage	Sanitation	Jabalpur	7.50	5.44	5.44	5.44
Tree plantation and maintenance, promotion of river cleanliness	Environment Protection	Bheraghat, Jabalpur	6.50	9.53	9.53	9.53
Financial assistance to orphanage and old age homes	Child and old age people care	Jabalpur	2.00	2.43	2.43	2.43
Assistance for promotion of women entrepreneurship and poor girls marriages	Empowerment of Women	Jabalpur	0.50	0.50	0.50	0.50
Donation for promoting artistic and cultural programmes	Cultural Activities	Jabalpur	2.50	1.40	1.40	1.40
Total			49.00	46.06	46.06	46.06

*Details of Implementing Agencies:

Matrachaya Seva Bharti, Jabalpur, M.P.; Soham Welfare Society, Jabalpur, M.P.; Maharashi Vidya Mandir, Jabalpur, M.P.; Friends of Tribal Society, Delhi & Jabalpur; Little Sisters of the Poor, Jabalpur, M.P.; Sadhu Vaswani Mission, Pune, Maharashtra; Shri Rajkumari Bai Bal Niketan, Jabalpur M.P.

Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company, is reproduced below:

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Sd/-

Mohan C Pant

Chairman of CSR Committee

26th May, 2016, Jabalpur

Sd/-

Ashok K Kapur

Whole-time Director



Annexure - II to the Board's Report

**SECRETARIAL AUDIT REPORT
FORM No. MR-3**

For the Financial Year Ended 31st March, 2016

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
NARMADA GELATINES LIMITED
'CARAVS', Room No. 28,
15 Civil Lines, Jabalpur (M.P.)
Pin - 482001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Narmada Gelatines Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Narmada Gelatines Limited for the financial year ended on 31st March, 2016 according to the provisions as may be applicable to the company of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments and External Commercial Borrowings: Not applicable during the period under review;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: Not applicable during the period under review;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: Not applicable during the period under review;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable as the company has not issued any debt securities during the period under review
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: Not applicable during the period under review as the company is not acting as a Registrar and Share Transfer Agent.
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable during the period under review;
 - h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998: Not applicable during the period under review;
 - i. The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.
- (6) The Food Safety and Standards Act, 2006 along with Food Safety and Standards Rules, 2011;
- (7) Factories Act, 1948 and Rules made thereunder;
- (8) Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder;
- (9) Maternity Benefits Act, 1961;
- (10) Minimum Wages Act, 1948;
- (11) Payment of Bonus Act, 1965;



- (12) Payment of Gratuity Act, 1972;
 (13) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956;
 (14) Payment of Wages Act, 1936;
 (15) Environmental Laws.

I have also examined the compliance of Secretarial Standards on Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors.

There is no change in the composition of the Board of Directors during the period under review. Adequate notice(s) had been given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The Resolutions passed by the Board of Directors and Committees thereof had no dissenting views which were required to be captured and minuted.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date annexed as Annexure "A" and forms an integral part of this report.

Sd/-

Dr. Asim Kumar Chattopadhyay

Practising Company Secretary

C P No.: 880 (Whole Time)

FCS No.: 2303

Jabalpur

Dated : April 8, 2016

Annexure "A"

TO THE SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2016

To,
 The Members
 Narmada Gelatines Limited
 'CARAVS', Room No. 28, 15 Civil Lines,
 Jabalpur (M.P.)
 Pin - 482001

My Report for the financial year ended 31st March 2016 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature : Sd/-
 Name : Dr. Asim Kumar Chattopadhyay
 Designation : Practising Company Secretary
 Certificate of Practice No. : 880



Annexure – III to Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

1. Steps taken or impact on conservation of energy :

During the year the power factor has been maintained more than 0.99, this has resulted in getting maximum rebate in electricity bills. The same was achieved by putting capacitor as and when required.

2. Steps taken or utilising alternate sources of energy:

Company continues to utilise bio-gas produced during effluent treatment process, in drying process of DCP. Plant lighting arrangement during day time has been replaced to natural sunlight by replacing the shed with transparent sheets.

3. Capital investment on energy conservation equipments : Nil

B. TECHNOLOGY ABSORPTION

1. Efforts in brief made towards technology absorption:

- (a) Manufacture of Protein Hydrolysate
- (b) Develop product for new export market like USA.

2. Benefits derived as a result of above efforts:

- (a) Value addition for the finished product.
- (b) Alternate market.

3. Imported technology (imported during the last 3 years reckoned from the beginning of the financial year) :

- (a) Technology
- (b) Year of import
- (c) Has technology been fully absorbed
- (d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plan of action

} Not applicable as no technology imported

4. Expenditure on R&D

Recurring Expenditure – ₹ 16.14 lacs; Capital Expenditure – Nil
Total R&D Expenditure as a % of Total Turnover: 0.12%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The FOB value of exports amounted to ₹ 385.68 lacs against ₹ 484.62 lacs in the previous year.

The expenditure in foreign exchange comprises of travel for export promotion ₹ 1.34 lacs and other expenditure ₹ 10.42 lacs.

For and on behalf of the Board

Ravindra K Raje
Director

Ashok K Kapur
Whole-time Director

26th May, 2016
Jabalpur



Annexure - IV to the Board's Report

EXTRACT OF ANNUAL RETURN

FORM No. MGT - 9

as on the financial year ended 31st March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN	L24111MP1961PLC016023
ii) Registration Date	13 th January, 1961
iii) Name of the Company	Narmada Gelatines Limited
iv) Category / Sub-Category of the Company	Company having Share Capital
v) Address of the Registered office and contact details	CARAVS, Room No. 28, 15 Civil Lines, Jabalpur - 482001 (M.P.) Phone : (0761) 2830433
vi) Whether listed company Yes / No	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	C.B. Management Services Pvt. Ltd. P-22 Bondel Road Kolkata Phone : (033) 40116700, 40112280 E-mail : rta@cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business Activities contributing 10% or more of the total turnover of the Company:

Sl. No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the company
1	Gelatine	20295	70%
2	Di-Calcium Phosphate - Poultry Feed	10802	24%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Alfamont (Mauritius) Ltd. Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius	Foreign Company	Holding	75%	2(46)
2	Jumbo World Holdings Ltd. Sea Meadow House, Blackburne Highway (P.O.Box 116), Road Town, Tortola, British Virgin Islands	Foreign Company	Ultimate Holding	Nil	2(46)



IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholder	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter									
1 Indian									
(a) Individuals/ HUF	-	-	-	-	-	-	-	-	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(f) Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	-	-	-	-	-	-	-	-	-
2 Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	4537189	-	4537189	75.00	4537189	-	4537189	75.00	-
(d) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(e) Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	4537189	-	4537189	75.00	4537189	-	4537189	75.00	-
Total Shareholding of Promoter Group (A)= (A)(1)+(A)(2)	4537189	-	4537189	75.00	4537189	-	4537189	75.00	-
(B) Public shareholding									
1 Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	175	350	525	0.01	175	350	525	0.01	-
(g) FI	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	175	350	525	0.01	175	350	525	0.01	-
2 Non-institutions									
(a) Bodies Corporate									
i) Indian	468006	3300	471306	7.79	468731	3300	472031	7.80	0.01
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lac	693174	92825	785999	12.99	733835	86464	820299	13.56	0.57
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	189979	-	189979	3.14	172606	-	172606	2.85	-0.29
(c) Others	-	-	-	-	-	-	-	-	-
i) NRI	56224	-	56224	0.93	35149	-	35149	0.58	-0.35
ii) Clearing Member	8365	-	8365	0.14	11788	-	11788	0.19	0.06
Sub-Total (B)(2)	1415748	96125	1511873	24.99	1422109	89764	1511873	24.99	-
Total Public Shareholding (B) = (B)(1)+(B)(2)	1415923	96475	1512398	25.00	1422284	90114	1512398	25.00	-
(C) Shares held by Custodians for GDRs & ADRs									
Sub-Total (C)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	5953112	96475	6049587	100.00	5959473	90114	6049587	100.00	-

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (01.04.2015)			% change in shareholding during the year
		No of Shares	% of total shares of Company	% of shares Pledged / encumbered to total shares	No of Shares	% of total shares of Company	% of shares Pledged / encumbered to total shares	
1	Alfamont (Mauritius) Limited	4537189	75.00	NIL	4537189	75.00	NIL	-
	Total	4537189	75.00	NIL	4537189	75.00	NIL	-

(iii) Change in Promoter's Shareholding

There was no change in Promoter's shareholding during the year

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	MILLINER AGENCIES PRIVATE LIMITED					
	At the beginning of the year	01/04/2015	247119	4.08	247119	4.08
	At the end of the year	31/03/2016			247119	4.08
2	SWARAN FINANCIAL PVT LTD					
	At the beginning of the year	01/04/2015	48956	0.81	48956	0.81
	Bought	10/04/2015	886	0.01	49842	0.82
	Bought	01/05/2015	51	0.00	49893	0.82
	Bought	29/05/2015	1700	0.03	51593	0.85
	Bought	05/06/2015	1448	0.02	53041	0.88
	Bought	12/06/2015	5186	0.09	58227	0.96
	Bought	26/06/2015	1101	0.02	59328	0.98
	Bought	03/07/2015	2022	0.03	61350	1.01
	Bought	10/07/2015	346	0.01	61696	1.02
	Bought	07/08/2015	961	0.02	62657	1.04
	Bought	14/08/2015	4695	0.08	67352	1.11
	At the end of the year	31/03/2016			67352	1.11
3	DEEPAK MADHAV TUDAVEKAR					
	At the beginning of the year	01/04/2015	47830	0.79	47830	0.79
	At the end of the year	31/03/2016			47830	0.79
4	MARUTI BUSINESS SERVICES LTD					
	At the beginning of the year	01/04/2015	35343	0.58	35343	0.58
	At the end of the year	31/03/2016			35343	0.58
5	DHARAMVIR GUPTA					
	At the beginning of the year	01/04/2015	32923	0.54	32923	0.54



Sl. No.	Particulars	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	Sold	31/12/2015	12006	0.20	20917	0.35
	Sold	15/01/2016	3102	0.05	17815	0.29
	Sold	12/02/2016	326	0.01	17489	0.29
	Sold	25/03/2016	1186	0.02	16303	0.27
	Sold	31/03/2016	890	0.01	15413	0.25
	At the end of the year	31/03/2016			15413	0.25
6	SPT INTERNATIONAL AND FINANCE LIMITED					
	At the beginning of the year	01/04/2015	32862	0.54	32862	0.54
	Sold	10/04/2015	100	0.00	32762	0.54
	Sold	01/05/2015	188	0.00	32574	0.54
	Bought	08/05/2015	38	0.00	32612	0.54
	Bought	05/06/2015	200	0.00	32812	0.54
	Bought	12/06/2015	40	0.00	32852	0.54
	Bought	03/07/2015	60	0.00	32912	0.54
	Sold	10/07/2015	100	0.00	32812	0.54
	Sold	24/07/2015	200	0.00	32612	0.54
	Sold	07/08/2015	150	0.00	32462	0.54
	Bought	14/08/2015	200	0.00	32662	0.54
	Bought	28/08/2015	223	0.00	32885	0.54
	Bought	18/12/2015	124	0.00	33009	0.55
	Sold	31/12/2015	100	0.00	32909	0.54
	Sold	01/01/2016	100	0.00	32809	0.54
	Bought	22/01/2016	100	0.00	32909	0.54
	Bought	19/02/2016	200	0.00	33109	0.55
	At the end of the year	31/03/2016			33109	0.55
7	RUPESH BHUTORIA					
	At the beginning of the year	01/04/2015	24000	0.40	24000	0.40
	Sold	26/02/2016	14	0.00	23986	0.40
	Bought	04/03/2016	14	0.00	24000	0.40
	At the end of the year	31/03/2016			24000	0.40
8	SATSAHIB SECURITIES PRIVATE LIMITED					
	At the beginning of the year	01/04/2015	19995	0.33	19995	0.33
	Sold	10/07/2015	50	0.00	19945	0.33
	Sold	17/07/2015	150	0.00	19795	0.33
	Sold	24/07/2015	100	0.00	19695	0.33
	Sold	07/08/2015	50	0.00	19645	0.32
	At the end of the year	31/03/2016			19645	0.32



Sl. No.	Particulars	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	SUJAY SAHU					
	At the beginning of the year	01/04/2015	19534	0.32	19534	0.32
	Sold	29/05/2015	2067	0.03	17467	0.29
	Sold	05/06/2015	326	0.01	17141	0.28
	Sold	12/06/2015	1600	0.03	15541	0.26
	Sold	19/06/2015	1895	0.03	13646	0.23
	Sold	26/06/2015	4402	0.07	9244	0.15
	Sold	10/07/2015	1000	0.02	8244	0.14
	Sold	16/10/2015	244	0.00	8000	0.13
	Sold	23/10/2015	990	0.02	7010	0.12
	Sold	27/11/2015	200	0.00	6810	0.11
	Sold	04/12/2015	2168	0.04	4642	0.08
	Sold	11/12/2015	2083	0.03	2559	0.04
	Sold	18/12/2015	2559	0.04	0	0.00
10	EARTH ADVISORS LLP					
	At the beginning of the year	01/04/2015	18033	0.30	18033	0.30
	Sold	15/05/2015	201	0.00	17832	0.29
	Sold	22/05/2015	2248	0.04	15584	0.26
	Sold	29/05/2015	584	0.01	15000	0.25
	Sold	03/07/2015	300	0.00	14700	0.24
	Sold	10/07/2015	2237	0.04	12463	0.21
	Sold	17/07/2015	550	0.01	11913	0.20
	Sold	24/07/2015	131	0.00	11782	0.19
	Sold	16/10/2015	1000	0.02	10782	0.18
	Sold	23/10/2015	353	0.01	10429	0.17
	Sold	25/12/2015	200	0.00	10229	0.17
	Sold	31/12/2015	5322	0.09	4907	0.08
	At the end of the year	31/03/2016			4907	0.08
11	VISHWA PRAKASH MUNDRA					
	At the beginning of the year	01/04/2015	17815	0.29	17815	0.29
	At the end of the year	31/03/2016			17815	0.29
12	SUNIL KUMAR SETHIA					
	Bought	29/01/2016	16174	0.27	16174	0.27
	At the end of the year	31/03/2016			16174	0.27
13	ANURAG JHUNJHUNWALA					
	At the beginning of the year	01/04/2015	15431	0.26	15431	0.26
	At the end of the year	31/03/2016			15431	0.26



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ASHOK KAPUR					
	At the beginning of the year	01/04/2015	900	0.01	900	0.01
	Bought	17/04/2015	150	0.00	1050	0.02
	At the end of the year	31/03/2016			1050	0.02
2	RAVINDRA RAJE					
	At the beginning of the year	01/04/2015	339	0.01	339	0.01
	Bought	09/10/2015	39	0.00	378	0.01
	At the end of the year	31/03/2016			378	0.01
3	MAHESH VERMA					
	At the beginning of the year	01/04/2015	150	0.00	150	0.00
	At the end of the year	31/03/2015			150	0.00

V. INDEBTEDNESS

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits as on 31st March 2016.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Mr. Ashok K Kapur Wholetime Director	Total (₹lacs)
1	Gross salary		
	(a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961	30.87	30.87
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5.	Others	-	-
	Total (A)	30.87	30.87
	Ceiling as per the Act		65.94*

*Being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013



B . Remuneration to other directors:

Sl. No.	Particulars of Remuneration				Total (₹lacs)
1.	Independent Directors	Jt. Gulab Gupta	M.C. Pant	Deepak Chaudhari	
	Fee for attending board/committee meetings	0.64	0.59	0.50	1.73
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (1)	0.64	0.59	0.50	1.73
2	Other Non-Executive Directors	Sanjeev Jain	R.K. Raje	Drushti R Desai	
	Fee for attending board/committee meetings	0.47	0.43	0.42	1.32
	Commission	-	-	-	-
	Total (2)	0.47	0.43	0.42	1.32
	Total (B)=(1+2)	1.11	1.02	0.92	3.05
	Overall Ceiling as per the Act				13.19*

* Being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013

Total Managerial Remuneration (A+B)	33.92
--	--------------

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total (₹lacs)
		Maresh Verma Company Secretary	Priya Gupta CFO	
1	Gross salary (a) Salary as per provisions of Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	11.45	4.94	16.39
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others	-	-	-
	Total	11.45	4.94	16.39

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of the Companies Act against the Company or its Directors or other Officers in default, during the year.



Annexure - V to the Board's Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2015-16 (₹lacs)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of /the KMP against the performance of the Company
1	Justice Gulab Gupta - Director*	-	-	-	
2	Deepak Chaudhuri - Director*	-	-	-	
3	Mohan C Pant - Director*	-	-	-	
4	Sanjeev Jain - Director*	-	-	-	
5	Ravindra K Rajee - Director*	-	-	-	
6	Drushti Desai - Director*	-	-	-	
7	Ashok K Kapur - Wholetime Director	30.87	0.13%	13.80	
8	Mahesh Verma - Company Secretary	11.45	8.94%	Not Applicable	Profit after tax reduced by 44.52% in the financial year 2015-16
9	Priya Gupta - Chief Financial Officer	4.94	17.34%	Not Applicable	

* The Non-Executive Directors of the Company are entitled for sitting fee as per the statutory provisions, the details of which are provided in the Corporate Governance Report.

- ii) The median remuneration of employees of the Company during the financial year 2015-16 was ₹2.00 lacs.
- iii) In the financial year 2015-16, there was a decrease of 10.36% in the median remuneration of employees.
- iv) There were 199 (excluding Wholetime Director) permanent employees on the rolls of Company as on March 31, 2016.
- v) Relationship between average increase in remuneration and company performance: The Profit before tax for the financial year ended March 31, 2016 reduced by 44.52% whereas the average remuneration reduced by 2.53%.
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The total remuneration of Key Managerial Personnel increased by 3.81% whereas the Profit before Tax decreased by 44.52%.
- vii) a) Variations in the market capitalisation of the Company : The market capitalisation as on March 31, 2016 was ₹ 8076.20 lacs as compared to ₹10604.92 lacs as on March 31, 2015.
- b) Price Earnings ratio of the Company was 9.74 as at March 31, 2016 as compared to 6.84 as at March 31, 2015.
- c) Percent increase in the market quotation of the shares of the company as compared to the rate at which the company came out with the last public offer in the year: The Company had come out with initial public offer (Rights Issue) in 1994-95. An amount of ₹ 1,000 invested in the said Rights Issue / IPO would be worth ₹ 20025 as on March 31, 2016 indicating a compounded annual growth rate of 15.34% excluding the dividends paid out since the Rights Issue.
- viii) Average percentage decrease in the salaries of employees other than the Key Managerial Personnel in the financial year i.e. 2015-16 was 3.08% whereas increase in the managerial remuneration for the same financial year was 3.81%.
- ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - None of the employee is in receipt of remuneration in excess of the highest paid director.
- xi) The remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance encompasses best management practices, compliance of law and voluntary adherence to ethical standards, enhancing shareholders value and discharge of social responsibility. The principle of good corporate governance is to ensure fairness in all transactions within and outside the company with investors, customers, employees, partners, competitors and the society at large. Adoption of Corporate Governance and disclosure practices attract the best of capital and talent for any organisation and create value and wealth on a sustainable and long term basis. Together with meaningful CSR activities and sustainable development policies your Company strives to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates.

Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. This report sets out the compliance status for the Company with the requirements of corporate governance, for the financial year 2015-16.

CORPORATE GOVERNANCE FRAMEWORK



The corporate governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organisation viz. the board of directors, the senior management, employees, etc. The company's focus revolves around values based on transparency, integrity, professionalism and accountability. Its initiatives towards this end include: professionalization of the Board; fair and transparent processes and reporting systems; and going beyond the mandated Corporate Governance Code requirements of SEBI. The company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy all round growth and development to take the company forward.

In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at work place have been institutionalized. The Company recognizes that good governance is a continuing exercise and adhere to ethical standards is committed to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the Company has adopted various codes and policies to carry out duties in an ethical manner. The following codes and policies have been adopted by the Company:

- Code of Conduct
- Code of Internal Procedure and Conduct for insider Trading
- Whistle Blower Policy
- Related Party Transactions Policy
- Corporate Social Responsibility Policy
- Sexual Harassment Policy
- Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Board Performance Evaluation Policy
- Risk Management Policy

The Board of Directors of the Company has an optimum combination of Executive and Independent Non-Executive Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board provides leadership, strategic guidance and an independent view to the Company's management.



Directors:

The Board of Directors plays pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company, ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

Independent Director:

The Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), 2015 defines an "independent director" means a non-executive director, who is or was not a promoter nor related to promoters of the listed entity or its holding, subsidiary or associate company, who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year, who, neither himself, nor whose relative(s) holds or has held the position of a key managerial personnel.

Directors' Familiarization programmes:

To provide insights into the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in managing the Company. The Company has an orientation process/familiarization programme for its independent and other directors that includes briefing on their role, responsibilities, duties, and obligations as a member of the Board, nature of business of the Company, plant visit, manufacturing process, quality, safety measures in place, CSR activities etc., matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc. and introduction to senior management team.

As a process, when a new independent director is appointed, a detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

Efforts are made to continually update the Independent Directors on all important developments within the Company and regulatory changes viz. sharing important developments in the industry, the company's internal environment and external environment, industrial relations, updates on demand and supply situation for the Company's products etc.

Composition of Board and Committees:

The Company's policy is to maintain optimum combination of Executive, Non-Executive and independent Directors. The members of the Board are from diverse backgrounds with skills and experience in different sectors like technology, finance, legal, power and general management. With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Harassment Committee.

Role of the Company Secretary in overall governance process:

The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. The Company Secretary plays a key role in ensuring that the procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making.

BOARD OF DIRECTORS**1. Board Composition, attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various companies:**

The Company's policy is to maintain an optimum combination of Executive, Non-Executive and Independent Directors, constituted in conformity with Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the Board come from diverse backgrounds with skill and experience in different sectors like technology, finance, legal, power and general management. The Company has a total of 7 Directors of which six are Non-Executive Directors and out of which three are Independent Directors.



(i) **Composition of the Board of Directors is as follows:**

Category	Name of the Directors
Independent Directors	Justice Gulab Gupta Mr. Deepak Chaudhuri Mr. M. C. Pant
Non-Executive Non-Independent Directors	Mr. Sanjeev Jain Mr. R.K. Raje Mrs. Drushti R Desai
Executive Director	Mr. Ashok K. Kapur

- (ii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in SEBI Listing Regulations, across all the companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as at March 31, 2016 have been made by the Directors.

Attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various companies is given below.

Name of Director	No. of other Directorships	Committees of which he/she is a member	Committees of which he/she is Chairman	Attendance	
				Board Meetings	Last AGM (17.09.2015)
Justice Gulab Gupta	-	1	1	4	Yes
Mr. Deepak Chaudhuri	-	1	-	3	Yes
Mr. M.C. Pant	-	2	1	4	Yes
Mr. Sanjeev Jain	3	2	1	4	Yes
Mr. R. K. Raje	3	3	1	4	Yes
Mr. A. K. Kapur	1	1	-	4	Yes
Mrs. Drushti R. Desai	5	5	3	3	No

The above does not include any Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies. Memberships/Chairmanships of only the Audit Committees and Stakeholders' Relationship Grievance Committees of Public Limited Companies have been considered.

Directors' Profile

A brief resume of Director(s) being appointed/re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships, memberships/ chairmanships of Board Committees and their shareholding in the Company are provided below:

Director(s) retiring by rotation:

Mr. Ravindra K Raje (DIN 00112003) is a Fellow member of the Institute of Chartered Accountants of India and a Bachelor of Law. He has also passed the Company Secretary examination. He has experience of 35 years in industry and consultancy assignments. He is presently on the Board of GWL Properties Limited, Harshit Finlease & Investments Pvt. Ltd., Jumbo World Holdings (India) Pvt. Ltd., Jumbo Electronics Corporation Pvt. Ltd., MPIL Corporation Ltd., Firestorm Electronics Corporation Pvt. Ltd., Primo Enterprises Private Ltd., SMN Engineers Ltd., L'Aquila Investments Co. Pvt. Ltd., Viman Investments Pvt. Ltd., Wizer Advertising Pvt. Ltd., Aasman Management Services Pvt. Ltd., Derby Electricals (India) Pvt. Ltd., Healing Touch Angiography & Cardiac Surgery Centre Pvt. Ltd.

He holds 378 equity shares of the company as on 31st March, 2016.

Re-appointment of Independent directors retiring at the ensuing annual general meeting:

Justice Gulab Gupta, Mr. Deepak Chaudhary and Mr. Mohan Pant were appointed as Independent Directors for a period of two years and their term will come to an end on the conclusion of the 55th Annual General Meeting. They are being re-appointed at the ensuing annual general meeting of the company for a period of 5 years. Brief profile of them are as under:

- (i) Justice Gulab Gupta (DIN 00191368) is a B.A., L.L.B from Allahabad University and L.L.M. from U.S.A. He became a Judge of M.P. High Court, Jabalpur in the year 1985 and was thereafter appointed Chief Justice of Himachal Pradesh High Court. He held the post of Governor, Rotary Club and was Chairman, Human Rights Commission, Madhya Pradesh. He was the Vice-Chancellor of Rani Durgawati University, Jabalpur for two years. Presently, he is practicing as a Supreme Court Lawyer.

He does not hold any shares in the company as on 31st March, 2016.



- (ii) Mr. Deepak Chaudhuri (DIN 00456234) is a graduate from St. Stephen's College, New Delhi, one of India's premier institution, and completed a Strategic Management course from Harvard University Graduate School of Business Management in USA. He has 33 years of experience in sales and marketing. He is presently on the Board of Directors of M/s Sunny Megabrands Exim (Pvt.) Ltd. and M/s Imperial Cropcare (Pvt.) Ltd.

He does not hold any shares in the company as on 31st March, 2016.

- (iii) Mr. Mohan C. Pant (DIN 00257707) is a B.Sc., BE (Hons) from Govt. Engg. College, Jabalpur. After a long stint of 37 years with MP State Electricity Board (MPSEB), he retired as a Board Member (Generation) in 1997. At present, he provides consultancy to MPSEB for trouble-shooting in Generating Plants. He is also a member of Arbitration Panel for MPSEB.

He does not hold any shares in the company as on 31st March, 2016.

Re-appointment of Wholetime Director:

Mr. Ashok K. Kapur (DIN - 00126807) is a Mechanical Engineer having 45 years of experience in Gelatine industry. He is Ex-Chairman of Ossein & Gelatine Manufacturers' Association of India and Director of Gelatine Manufacturers Association of Asia Pacific and Ex-Chairman Ossein and Gelatine Penel CAPEXIL.

At present, he is also on the Board of Directors of M/s GWL Properties Limited, Jumbo World Holdings (India) Pvt. Ltd., Jumbo Electronics Corporation Pvt. Ltd., Primo Enterprises Private Ltd., Viman Investments Pvt. Ltd., Aasman Management Services Pvt. Ltd., Dandvati Investments and Trading Company Pvt Ltd.

He holds 1050 equity shares of the company as on 31st March, 2016.

2. Board Meetings

During the year ended 31st March, 2016 the Company held four Board meetings. The Company has held at least one Board meeting in every three months and the maximum time gap between any such two meetings was not more than one hundred and twenty days. The details of the Board meetings held are as under:

Dates of Board Meeting	Board Strength	No. of Directors Present
27th May, 2015	7	6
5th August, 2015	7	6
03rd November, 2015	7	7
8th February, 2016	7	7

Information placed before Board of Directors

The Board of Directors is provided with all the information and update on the subjects detailed under and have complete access to any information within the Company.

- Annual operating plans and budgets and updates
- Capital budgets and updates
- Quarterly / annual financial results for the company
- Minutes of meetings of board meetings, audit committee and other committees of the board
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company
- Significant labour problems and their proposed solutions
- Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc
- Sale of material nature, of investments, assets, which is not in the normal course of business
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfers, etc.
- Quarterly compliance certificates which includes non-compliance of any regulatory, statutory nature or listing requirements and shareholders service
- Appointment, remuneration and resignation of Directors
- Proposals requiring strategic guidance and approvals of the Board of Directors
- Related party transactions
- Formation and reconstitution of Board Committees and their terms of reference



- Declarations by Independent Directors
- Disclosures of interest of Directors and their shareholding
- Appointment and fixing of remuneration of Statutory Auditors as recommended by the Audit Committee
- Appointment of Internal Auditors and Secretarial Auditors
- Discussion on reports and observations of Internal and Statutory Auditors
- Dividend declaration
- Making of loans and investment of surplus funds
- Proposal for major investments, merger, amalgamations
- Borrowing money, giving guarantees or providing security in respect of loan
- Issue of securities, shares, debentures

The Agenda and Notes on agenda for Board Meetings are circulated to Directors in advance. All material information is incorporated therein to facilitate meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, any other matters are discussed with the permission of the Chairman of the Board meeting.

Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records the minutes of proceedings of Board and Committee meetings. Draft minutes are circulated to members of the Board/ Board Committees for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

Post-meeting follow-up mechanism

Management takes actions on the decisions and directions arising out of the discussions of the Board/ Committees Meetings. Important decisions taken at meetings of the Board/Board Committees are communicated promptly to the concerned departments/ divisions.

An action taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Board Committee for review and follow-up.

Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

BOARD COMMITTEES

The Board has constituted six Committees, namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility, Stakeholders' Relationship Committee, Risk Management Committee and Complaints Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on business needs.

1. Audit Committee

The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The Committee consists of the following members:

Justice Gulab Gupta - Chairman	Non-Executive Independent Director
Mr. Deepak Chaudhuri	Non-Executive Independent Director
Mr. M.C. Pant	Non-Executive Independent Director
Mrs. Drushti R Desai	Non-Executive Director

Mrs. Drushti R Desai possesses expert financial and accounting knowledge and is a Fellow member of the Institute of Chartered Accountants of India.

The objective of the Audit Committee is to assist the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

The Management responsible for the Company's internal control over financial reporting and the financial reporting process. The independent auditors are responsible for performing an independent audit of the company's financial statements in according with the GAAP and for issuance of a report thereon. The committee's responsibility is to monitor these processes.

The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and



review of financial statement before their submission to the Board. The Audit Committee shall have authority to investigate any matter within the term of reference or referred to it by the Board.

The terms of reference of the Audit Committee are broadly as under:

- Reviewing the financial reports and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information as disclosed in the reports.
- Recommending the appointment and removal of internal and external auditors, fixation of audit fee and other payments.
- Reviewing the financial statements and draft audit report, including quarterly / half yearly financial information.
- Reviewing with management the quarterly and annual financial statements before submission to the Board focusing primarily on:
 - any changes in accounting policies and practices;
 - major accounting entries based on exercise of judgment by management;
 - qualifications in draft audit report;
 - significant adjustments arising out of audit;
 - the going concern assumption;
 - compliance with accounting standards;
 - compliance with stock exchange and legal requirements concerning financial statements;
 - approval or any subsequent modification of transactions of the company with related parties;
 - reviewing the Company's financial and risk management policies;
 - disclosure of contingent liabilities;
 - scrutiny of inter-corporate loans and investments;
 - valuation of undertakings or assets of the company, wherever it is necessary;
 - monitoring the end use of funds raised through public offers and related matters.
- Reviewing with the management, and internal auditors, the adequacy of internal financial controls and risk management.
- Reviewing the adequacy of internal audit function, including the audit charter, approval of the audit plan and its execution, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate
- Carry out such other functions as may be specifically referred to the Committee by the Board of Directors or other Committee of Directors.

The Audit Committee Meetings are usually attended by the Whole-time Director, Chief Financial Officer and representatives of the Statutory Auditors and Internal Auditors. The Company Secretary acts as Secretary of the Audit Committee.

The previous Annual General Meeting of the Company was held on 17th September, 2015. The Chairman of the Audit Committee, Justice Gulab Gupta attended the Meeting.

Four Audit Committee meetings were held during the year. The composition of the Audit Committee as at 31st March, 2016 and details of the Members' participation at the Meetings of the Committee are as under:

Name of member	Attendance at the Audit Committee Meetings			
	27th May, 2015	5th August, 2015	3rd November, 2015	8th February, 2016
Mr. Deepak Chaudhuri	✓	Leave of absence	✓	✓
Justice Gulab Gupta	✓	✓	✓	✓
Mr. M.C. Pant	✓	✓	✓	✓
Mrs. Drushti R Desai	Leave of absence	✓	✓	✓



2. Nomination and Remuneration Committee

The constitution of the Nomination and Remuneration Committee meets with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The Committee consists of the following members:

Mr. Deepak Chaudhuri – Chairman	Non - Executive Independent Director
Justice Gulab Gupta	Non - Executive Independent Director
Mr. Sanjeev Jain	Non - Executive Director

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To carry out any other function as is mandated by the Board from time to time.

Three meetings of Nomination and Remuneration Committee were held during the year. The composition of the Committee as at March 31, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Name of member	Attendance at the Nomination & Remuneration Committee Meetings		
	27th May, 2015	3rd November, 2015	8th February, 2016
Mr. Deepak Chaudhuri	✓	✓	✓
Justice Gulab Gupta	✓	✓	✓
Mr. Sanjeev Jain	✓	✓	✓

Details of Remuneration and other terms of appointment of Directors:

The aggregate value of the salary and perquisites paid for the year ended 31st March, 2016 to the Whole-Time Director was ₹ 30.87 lacs. Besides this, the Whole-Time Director is entitled to gratuity and encashment of leave at the end of tenure of service. The current agreement with the Whole-time Director is for a period of 3 years from the date of appointment and the same can be terminated by either party by giving three months' notice in writing.

The Non-Executive Directors are paid sitting fee for attending each meeting of the Board and Committee Meeting of the Directors as detailed hereunder:

Meetings	Amount (₹) Subject to TDS
Board Meeting	10000/-
Audit Committee Meeting	4000/-
Nomination and Remuneration Committee Meeting	2500/-
Stakeholder Relationship Committee Meeting	2500/-

Sitting fees paid to the Non-Executive Directors, for 2015-16 are as detailed below:

S. No.	Director's Name	(₹ in lacs)
1	Justice Gulab Gupta	0.64
2	Mr. M.C. Pant	0.59
3	Mr. Deepak Chaudhuri	0.50
4	Mr. R. K. Raje	0.43
5	Mr. Sanjeev Jain	0.47
6	Mrs. Drushti R Desai	0.42
	Total	3.05

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors, CEO, CFO, Managing Director and Wholetime Director and their remuneration. The Policy is available on the company's website (www.narmadagelatines.com).

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Familiarization program for directors

All new directors appointed on the Board go through an orientation process/familiarization programme. At the time of appointment of an independent director, a formal letter of appointment is issued by the Company which contains their role, functions, duties and responsibilities. The format of the letter of appointment is available on the company's website (www.narmadagelatines.com). The details of training and familiarisation program are provided in the Corporate Governance Report and also available on the website of the company.

3. Stakeholders' Relationship Committee

The constitution of the Stakeholders' Relationship Committee meets with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements), 2015.

The broad terms of reference of the Stakeholders' Relationship Committee are as under:

- Oversee and review all matters connected with the transfer of the Company's securities
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend, etc.
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

The Stakeholders' Relationship Committee of the Company consist three Directors. One meeting of Stakeholders' Relationship Committee was held during the year. The composition of the Committee as at March 31, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Name of Member	Category	Attendance at the Meeting held on 8th February, 2016
Mr. M.C. Pant – Chairman	Non-Executive Independent Director	✓
Mr. Ashok K Kapur	Whole-Time Director	✓
Mr. R.K. Rajee	Non-Executive Director	✓

Mr. Mahesh Verma, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges in India.

The Board has delegated the power of approving transfer of shares and issue of duplicate certificates to the Whole-Time Director and Company Secretary.

During the year, two investor complaints were received by the Company. As on 31st March, 2016 there were no complaints pending for reply.

4. Corporate Social Responsibility (CSR) Committee

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
- To recommend the amount of expenditure to be incurred on CSR activities
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress



The composition of the Corporate Social Responsibility Committee as at March 31, 2016 and the details of Members' participation at the Meetings of the Committee are as under:

Name of Member	Category	Attendance at the CSR Committee Meetings	
		27th May, 2015	8th February, 2016
Mr. M.C. Pant – Chairman	Non-Executive Independent Director	✓	✓
Mr. Sanjeev Jain	Non-Executive Director	✓	✓
Mr. Ashok K Kapur	Whole-Time Director	✓	✓

5. Risk Management Committee

Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 mandates constitution of the Risk Management Committee. The Committee is required to lay down the procedures to inform to the Audit Committee about the risk assessment and minimization procedures and the Audit Committee shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

Business Risk Evaluation and Management is an ongoing process within the organisation. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the Risk policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluates treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

The composition of the Risk Management Committee as at March 31, 2016 and the details of Members' participation at the Meetings of the Committee are as under:

Name of Member	Category	Attendance at the Risk Management Committee Meetings	
		26th May, 2015	8th February, 2016
Mr. R.K Raje – Chairman	Non-Executive Director	✓	✓
Mr. Ashok K Kapur	Whole-Time Director	✓	✓
Mr. Sudhir K Shrivastava	Factory Manager	✓	✓
Mr. S. Bhattacharya	HOD – Purchase & Maintenance	✓	✓

6. Independent Directors' Meeting

Pursuant to provisions of Schedule IV of the Companies Act, 2013 and the Rules there under the independent directors of the company shall hold at least one meeting in a year without the attendance of non-independent directors and members of the management. All the independent directors of the company shall strive to be present at such meeting. In the meeting the independent directors shall review the performance of non-independent directors and the Board as a whole, and the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors and assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, the Independent Directors met on 8th February, 2016. All the Independent Directors were present at the Meeting.

The Independent Directors expressed satisfaction on the performance of the non-independent directors in the functioning of the company and on the performance of the Board as a whole.

CODE OF BUSINESS CONDUCT & ETHICS

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and the Companies Act, 2013 the Board of the Company has adopted the Code of Business Conduct & Ethics ('the Code'). The Code is applicable to all Directors and Senior management personnel of the Company. The Code while laying down, in detail, the standards of business conduct, ethics and governance, centres on the following theme:

The Company's Board of Directors and Senior Management Personnel are responsible for conduct of the business, and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. The Code has been circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually. A copy of the Code has been put on the Company's website (www.narmadagelatines.com). The Code has been circulated to Directors and



Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Whole-time Director of the Company to confirm that the Company has adopted a Code of Conduct for its Directors and employees of the Company is given below.

Compliance with the Code of Conduct

I Ashok K Kapur, Whole-time Director of M/s Narmada Gelatines Limited do hereby confirm that the Company has, in respect of the financial year ended March 31, 2016, received from the senior management team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

Ashok K Kapur

Whole-time Director

GENERAL BODY MEETINGS

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

AGM	Year	Venue	Date & Time	Special Resolutions
52nd	2012-13	Hotel Satya Ashoka, Wright Town, Jabalpur	Wednesday 14th August, 2013 at 1:00 p.m.	<ul style="list-style-type: none"> Re-appointment of Shri Ashok K. Kapur as the Whole-time Director of the Company.
53rd	2013-14	Hotel Narmada Jacksons, South Civil Lines Jabalpur	Monday 22nd September, 2014 at 1:00 p.m.	<ul style="list-style-type: none"> Power to borrow and mortgage /create charge on the assets of the Company
54th	2014-15	Hotel Narmada Jacksons, South Civil Lines Jabalpur	Monday 17th September, 2015 at 11:30 a.m.	Nil

During the year ended 31st March, 2016, there were no resolutions passed by the Company's members through Postal Ballot. At the ensuing Annual General Meeting also, there is no resolution proposed to be passed through Postal Ballot.

Remote e-voting and ballot voting at the AGM

The company has arranged for remote e-voting facility to provide the shareholders to vote on the resolution to be passed at the ensuing AGM. The Company has engaged CDSL to provide e-voting facility to all the members whose names appear on the register of members as on 16th September, 2016, shall be eligible to participate in the e-voting. The facility for voting through ballot will also be made available at the AGM, and the members who have not casted their votes by remote e-voting can exercise their votes at the AGM.

DISCLOSURES

Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulations of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, during the financial year were in the ordinary course of business and on an arms length pricing basis and are as per the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Attention of the Shareholders is drawn to the disclosures of transactions with the related parties set out in Notes on Financial Statements, forming part of the Annual Report.

The Policy for related party transactions is available on the Company's website (www.narmadagelatines.com).

Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

Internal Controls

The Company has a formal system of internal control which examines operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

CEO & MD / CFO Certification

The CEO & WTD and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) SEBI (Listing Obligations and Disclosure Requirements), 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

Vigil Mechanism / Whistle Blower Policy

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Any actual or potential violation of these principles and the Company's Code of Conduct for Employees would be a matter of serious concern for the Company.



Employees have a role and responsibility in pointing out such violations. This Whistle Blower policy is formulated to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper practices, acts or activities in the Company and to prohibit managerial personnel from taking any adverse personnel action against those employees who report such practices in good faith.

The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Nodal Officer (Company Secretary) / Whole-time Director/ Chairman of the Audit Committee, shall make a record and refer the matter to the Audit Committee for further appropriate investigation and needful action.

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

All Directors and designated employees have confirmed compliance with the Code.

Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent to Stock Exchanges immediately after they are approved by the Board. These are widely published in leading financial/ non-financial newspapers such as Financial Express, Hivvada, Navbharat, Dainik Bhaskar, Raj Express, Nai Duniya and Patrika, having all-India and regional coverage.

The Annual Report containing inter alia, Audited Financial Statements, Directors' Report, Auditors' Report, Notice of Annual General Meeting with explanatory notes and other important annexure / information is circulated to members and others entitled thereto.

Annual reports, quarterly results, shareholding pattern and other important information of the Company are also posted on the BSE website listing.bseindia.com and the Company's website www.narmadagelatines.com

Management Discussion and Analysis Report forms part of the Annual Report.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

General Shareholders' Information

- **Company Registration Details**

The Company is registered in the State of Madhya Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24111MP1961PLC016023

- **Annual General Meeting**

Day & Date	: Thursday, 22nd September, 2016
Time	: 11:30 am
Venue	: Hotel Narmada Jacksons, South Civil Lines, Jabalpur

- **Financial Year** : April 1 to March 31

- **Financial Calendar 2016-2017**

First Quarter Results	: 1st August to 14th August 2016
Second Quarter Results	: 1st November to 15th November, 2016
Third Quarter Results	: 1st February to 15th February, 2017
Results for the quarter and Annual Results for the year ending on 31st March, 2017	: 15th May to 30th May 2017

- **Book Closure period** : 16th September, 2016 to 22nd September, 2016 (both days inclusive)

- **Dividend payment date** : Dividends as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on or after 22nd September, 2016 to those shareholders whose names appear on the Company's Register of Members on 15th September, 2016.



- Listing of Shares and other Securities**

Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

- Stock Code**

Scrip Code: Bombay Stock Exchange (BSE) "526739"

Company Symbol: NARMADA GELA

- Stock Market Data**

The monthly high/ low market prices of the shares during the year 2015-16 at the Bombay Stock Exchange Limited (BSE) were as under:

(₹ per share)

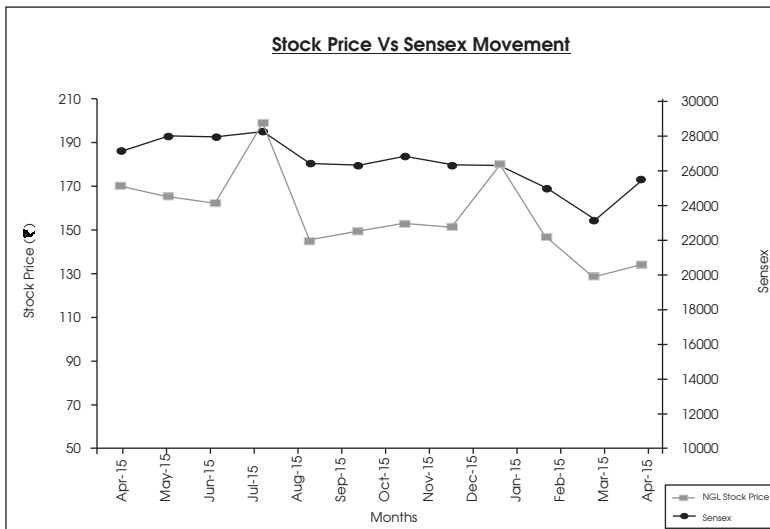
Month	High Price	Low Price
Apr'15	190.00	159.00
May'15	186.00	156.20
Jun'15	173.90	153.10
Jul'15	204.30	145.00
Aug'15	201.90	136.00
Sep'15	169.00	136.00
Oct'15	164.50	146.50
Nov'15	158.50	127.50
Dec'15	182.80	135.00
Jan'16	184.80	140.50
Feb'16	160.00	121.00
Mar'16	154.00	124.40

(Source BSE website)

- Share price performance compared with broad based indices**

Company's Share Price	As on 1.04.2015	159.00
	As on 31.03.2016	133.50
	Change	-16.03%
BSE Sensex	As on 1.04.2015	27954.86
	As on 31.03.2016	25341.86
	Change	-9.34%

- Performance of Share price in comparison to the BSE Sensex**



- Registrar & Share Transfer Agents**

C B Management Services Pvt. Ltd
P-22 Bondel Road, Kolkata 700 019.
Phone: (033) 4011 6700, 2280 Fax : (033) 4011 6739 Email : rta@cbmsl.com

- Dividend declared for the last five years**

Year	On Equity Shares
2010-11	40%
2011-12	45%
2012-13	50%
2013-14	50%
2014-15	35%*
2015-16 (Proposed)	40%

* after bonus issue of 1:2

- Share Transfer System**

Shares sent for transfer in physical form are registered and returned by the Company's Registrar and Share Transfer Agent in about 20-25 days of the receipt of documents, provided documents are found in order. Shares under objections are returned within two weeks. The Board has delegated the authority for approving transfer, transmission of shares to a Share Transfer Committee, under supervision of Stakeholders' Relationship Committee of the Board.

In compliance with the Listing Agreement / SEBI Guidelines -

- A Practicing Company Secretary carries out Reconciliation of Share Capital Audit on "Dematerialised shares and shares in Physical form" every quarter and the necessary reports issued by him are filed with the Stock Exchanges.
 - The shares in Dematerialised form and Physical form tally with the issued/paid-up capital of the Company.
 - Shareholding pattern and financial results (quarterly) and the Annual Reports annually are being uploaded on www.listing.bseindia.com.
 - A Practicing Company Secretary carries out a Due Diligence survey, pertaining to share transfers, transmissions etc., every six months and necessary certificates to that effect are issued and the same are filed with the Stock Exchanges in compliance with Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements), 2015.
- Distribution of Shareholding**

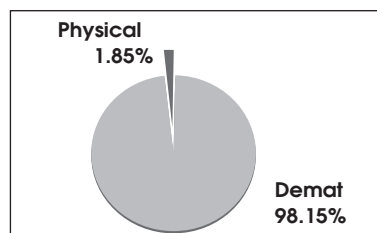
The distribution of shareholding as on 31st March 2016 is given below:

Range	Shareholders		Shares		
	No. of shares	Number	% to Total Holders	Numbers	% to Total Capital
Upto - 500		2103	84.12	278518	4.61
501 - 1000		187	7.48	138671	2.29
1001 - 2000		105	4.20	151350	2.50
2001 - 3000		33	1.32	85212	1.41
3001 - 4000		15	0.60	50868	0.84
4001 - 5000		20	0.80	89728	1.48
5001 - 10000		21	0.84	132677	2.19
10001 and above		16	0.64	5122563	84.68
TOTAL		2500	100.00	6049587	100.00

- Dematerialisation of shares as on 31st March, 2016**

98.51% of total Equity Share Capital is held in Dematerialised form with NSDL & CDSL.

Category	No. of shares	%
Demat	5959473	98.51
Physical	90114	1.49
Total	6049587	100.00



- Shareholding pattern of the Company as on 31st March, 2016

Category	No. of shares	% holding
Promoters	4537189	75.00%
NRIs	35149	0.58%
Indian Institutions	525	0.01%
Nationalised Banks	Nil	Nil
Domestic Companies	483819	8.00%
Public Shareholders	991327	16.39%
Directors/ Relatives	1578	0.02%
Total	6049587	100.00%

- Registered Office

'Caravs', Room No. 28,
15 Civil Lines,
Jabalpur - 482 001 (M. P.) Ph.: (0761) 2678627

- Address for Correspondence

To the company:

- (a) Narmada Gelatines Limited
'Caravs', Room No. 28,
15, Civil Lines, Jabalpur - 482 001 (M. P.)
or
(b) Narmada Gelatines Limited
P.O. Box No. 91,
Jabalpur- 482001 (M.P.)

To the Registrar and Share Transfer Agents:

C B Management Services Pvt. Ltd.
P-22 Bondel Road,
Kolkata 700 019
Phone: (033) 40116700, 2280 Fax: (033) 40116739
Email: rta@cbmsl.com

- Plant Location

Meergunj, Bheraghat Road, Jabalpur, M.P.

- Transfer of Unclaimed amounts to Investor Education and Protection Fund

Pursuant to Sections 124 and 125 of the Companies Act, 2013, all unclaimed / unpaid dividend, debenture interest as well as principal amount of debentures as at March 31, 2016 remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, have been transferred to the Investor Education & Protection Fund (IEPF) established by the Central Government.

Shareholders/ debentureholders are hereby informed that the Company is statutorily required to transfer to the IEPF all unclaimed/unpaid dividend, debenture interest and interest on debentures as well as principal amount of debentures remaining unpaid/unclaimed for a period of seven years from the date they became due for payment and once such amounts are transferred to the IEPF, no claim of the shareholder/ debentureholder shall lie against the Company or the IEPF.

The Investors are advised to claim the unencashed equity dividend / preference dividend money for the years 2008-09 to 2014-15 lying in the unclaimed accounts of the Company before the due dates (as indicated in the Notes to the Notice) for crediting the same to the Investor Education and Protection Fund.

During the financial year 2015-16, the Company has transferred to the Investor Education and Protection Fund, unclaimed dividends as detailed hereunder:

	Amount (₹)
9% Preference Share Unclaimed Dividend 2008-09	: 29,067.00
9% Preference Share Unclaimed Dividend 2007-08	: 1,22,798.00
Equity Share Unclaimed Dividend 2007-08	: 77,574.00



CEO/ CFO Certificate

The Whole-Time Director and the Chief Financial Officer provide annual certification on the financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Whole-Time Director and the person heading the Accounts function also give quarterly certification on the financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The annual certificate for the financial year ended 31st March, 2016, given by the Whole-time Director and Chief Financial Officer of the Company is published hereunder:

To,
The Board of Directors
Narmada Gelatines Ltd.
Jabalpur

Sub: Compliance Certificate for the year ended 31st March, 2016 as per Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Sir,

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we hereby certify that, to the best of our knowledge and belief:

- A. That we have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. That, to the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- C. That we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. That we have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Thanking you,

Sd/-

Ashok K. Kapur
(Whole Time Director)

Sd/-

Priya Gupta
(Chief Financial Officer)

Place : Jabalpur
May 16th, 2016

Compliance Certificate of the Auditors

Certificate from the Auditors of the Company, M/s. T.R. Chadha & Co. LLP confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is attached to the Directors' Report forming part of the Annual Report.

On behalf of the Board of Directors

Place : Jabalpur
Date : 26th May, 2016

Ravindra K Raje
Director

Ashok K Kapur
Whole-time Director



CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
NARMADA GELATINES LIMITED

We have examined the compliance of the conditions of Corporate Governance by Narmada Gelatines Limited (the Company) for the year ended 31st March 2016, as stipulated in Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For T.R. Chadha & Co. LLP
Chartered Accountants
FRN 006711N/N500028

Pravin Jabade

M.No. 107197

Dated: May 26, 2016

Place: Jabalpur



INDEPENDENT AUDITOR'S REPORT

The Members of Narmada Gelatines Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Narmada Gelatines Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the said Order to the extent applicable to the company.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of internal financial controls over the financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in "Annexure-B"; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For TR Chadha & Co LLP
Chartered Accountants
Firm Regn. No: 006711N/N500028

Pramod Tilwani
(Partner)
Membership Number: 76650

Place : Jabalpur
Date: 26th May, 2016

Annexure - A to the Auditors' Report

(Referred to in Paragraph 1 of our Report of even date)

- (i) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- (b) As per the information and explanation given to us, the company has physically verified its fixed assets during the financial year 2013-14. As explained to us, the management verifies the fixed assets once in three years as per the program, which, in our opinion is reasonable having regard to the size of the company and nature of the assets.
- (c) According to the information and explanation given to us and on the basis of examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory (except inventory in transit, the subsequent confirmation of which has been obtained) has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and records were not material in relation to the operation of the company and the same have been properly dealt with in the books of account.
- (iii) As informed to us, the Company has not granted any Loans, Secured or Unsecured to Companies, Firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, Clauses (iii) (a) (b) and (c) of Para 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (iv) As informed to us, the Company has not given any loans, guarantees, securities and not made any investments covered under sections 185 and 186 of the Companies Act 2013. Accordingly, clause (iv) of Para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public.



- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the goods manufactured by the Company.
- (vii) (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India, the Company has generally been regular in depositing its undisputed statutory dues in respect of Provident Fund, Employees State Insurance dues, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities in India during the year.
- (b) The details of dues of Income Tax / Excise Duty /Sales Tax not deposited on account of dispute along with the amounts involved and the forum where dispute is pending is given as under:

Nature	Amount ₹ in lacs	Forum at which pending
Income Tax	71.27	High Court
	36.09	Commissioner
Excise Duty	241.63	High Court
	14.15	CESTAT
	14.01	Commissioner / Additional Commissioner
Sales Tax	23.85	Commercial Tax Appellate Tribunal

- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable.
- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For TR Chadha & Co LLP
Chartered Accountants
Firm Regn. No: 006711N/N500028

Pramod Tilwani
(Partner)
Membership Number: 76650

Place : Jabalpur
Date: 26th May, 2016

Annexure - B to the Auditors' Report

(Referred to in Paragraph 2 f. of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of Narmada Gelatines Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn. No: 006711N/N500028

Pramod Tilwani
(Partner)
Membership Number: 76650

Place : Jabalpur
Date: 26th May, 2016



BALANCE SHEET AS AT 31ST MARCH 2016

Amount (₹ lacs)

Particulars	Notes	As at 31st March 2016		As at 31st March 2015	
<u>EQUITY & LIABILITIES</u>					
Shareholders' Funds					
Share Capital	3	605.03		605.03	
Reserves & Surplus	4	10343.33	10948.36	9806.80	10411.83
Non-Current Liabilities					
Deferred Tax Liabilities (Net)	5		503.60		494.56
Current Liabilities					
Short-term borrowings	6		152.42		115.07
Trade Payables	7		494.46		397.33
Other Current Liabilities	8		277.95		260.92
Short-term Provisions	9		457.92		350.05
TOTAL			12834.71		12029.76
<u>ASSETS</u>					
Non-Current Assets					
Fixed Assets	10				
Tangible Assets			2249.99		2314.17
Intangible Assets			2.92		3.04
Capital Work in Progress			0.23		-
Non-current Investments	11		2631.50		743.31
Long-term Loans & Advances	12		129.19		108.16
Current Assets					
Current Investments	13		778.63		1990.00
Inventories	14		3606.03		3692.26
Trade Receivables	15		1678.56		1490.50
Cash & Bank Balances	16		1357.69		1459.35
Short-term Loans and Advances	17		350.55		174.95
Other Current Assets	18		49.42		54.02
TOTAL			12834.71		12029.76

**Significant Accounting Policies and Notes
on Financial Statements**

1 to 36

The notes referred to above form an integral part of the financial statements. This is the Balance Sheet referred to in our Report of even date.

For T R Chadha & Co LLP

Chartered Accountants
Firm Regn No: 006711N/N500028

For and on behalf of the Board

Pramod Tilwani
Partner
M.No. 76650

Priya Gupta
Chief Financial Officer

Mahesh Verma
Company Secretary

Ravindra K Rajee
Director

Ashok K Kapur
Wholetime Director

Jabalpur, 26th May, 2016



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Amount (₹ lacs)

Particulars	Notes	Year Ended 31st March 2016	Year Ended 31st March 2015
INCOME			
Revenue from Operations	19	13170.87	13429.18
Other Income	20	300.45	316.31
Total Revenue		13471.32	13745.49
EXPENDITURE			
Cost of Materials Consumed	21	7894.53	7527.39
Change in Inventories of Finished goods and Work-in Progress (Increase) / Decrease	22	(123.57)	(585.91)
Employees benefits expense	23	1075.40	1075.76
Finance cost	24	4.16	12.68
Depreciation and amortization expense	25	117.23	127.15
Other expenses	26	3218.70	3323.25
Total expenses		12186.45	11480.32
Profit before exceptional and extraordinary items and tax		1284.87	2265.17
Extraordinary Items (Refer Note 10 (iv))		13.48	75.22
Profit before tax		1298.35	2340.39
Tax Expense			
Current tax / Earlier tax		460.61	767.65
Deferred tax		9.04	22.27
Profit after taxation		828.71	1550.47
Earning per Equity Share of Face Value of ₹ 10 each.			
Basic and Diluted Earnings per Share (₹)	31	13.70	25.63
Significant Accounting Policies and Notes on Financial Statements	1 to 36		

The notes referred to above form an integral part of the financial statements. This is the Profit and Loss Statement referred to in our Report of even date.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn No: 006711N/N500028

For and on behalf of the Board

Pramod Tilwani
Partner
M.No. 76650

Priya Gupta
Chief Financial Officer

Mahesh Verma
Company Secretary

Ravindra K Rajee
Director

Ashok K Kapur
Wholtime Director

Jabalpur, 26th May, 2016



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

Amount (₹ lacs)

Particulars	Year Ended 31st March 2016	Year Ended 31st March 2015
A. Cash Flow from Operating Activities :		
Net profit before tax	1298.35	2265.14
Adjustments for :		
Depreciation	117.23	127.15
Interest Income	(124.22)	(117.85)
Profit on redemption of Investments	(32.25)	(152.28)
Interest Expenses	4.23	10.63
Loss/(Profit) on Impairment/sale of fixed assets	(18.92)	(1.67)
Sundry Debit Balances Written off	0.22	0.81
Provision for liability no longer required	-	(3.43)
Sundry balances written back	(11.47)	(13.97)
Others	17.15	-
Net unrealised exchange (gain) / loss	(44.11)	(4.04)
Operating profit before working capital changes	1206.21	2110.50
Adjustments for :		
(Increase)/Decrease in Trade and other receivables	(188.06)	(51.50)
(Increase)/Decrease in Inventories	86.23	(659.24)
(Increase)/Decrease in Long-term Loans & Advances	(21.03)	(3.08)
(Increase)/Decrease in Short-term Loans & Advances	(175.60)	67.43
(Increase)/Decrease in other Current Assets	4.60	0.04
Increase/(Decrease) in Trade Payables	97.13	(176.85)
Increase/(Decrease) in Short-term Provisions	70.80	(10.10)
Increase/(Decrease) in Other Current Liabilities	17.03	71.87
Cash generated from operations	1097.31	1349.07
Direct Taxes paid	(418.02)	(778.76)
Net Cash from Operating Activities (A)	679.29	570.31
B. Cash Flow from Investing Activities :		
Sale of Fixed Assets	5.66	85.52
Compensation for compulsory acquisition of Land & Buildings	13.48	-
Purchase of Fixed Assets & Capital WIP	(55.38)	(103.02)
Profit on redemption of Investments	26.08	143.97
Investment in Mutual Funds	(676.82)	(270.49)
Interest received	124.22	117.85
Net Cash used in Investing Activities (B)	(562.76)	(26.16)
C. Cash Flow from Financing Activities:		
Dividend including tax thereon paid	(254.07)	(235.92)
Net Increase/(Decrease) in Short-term borrowings	37.35	(41.08)
Interest Paid	(1.48)	(9.64)
Net Cash used in Financing Activities (C)	(218.20)	(286.64)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(101.66)	(257.51)
Cash and Cash Equivalents (Opening Balance)	1459.35	1181.13
Cash and Cash Equivalents (Closing Balance)	1357.69	1459.35
Notes:		
(a) The above Cash Flow Statement has been prepared under Indirect Method prescribed in the Accounting Standard issued by the Central Government under the Companies Accounting Rules, 2014.		
(b) Cash and Cash Equivalents represent :		
	As at	As at
	31st March 2016	31st March 2015
Cash and Cheques in Hand	7.24	9.96
Remittance in Transit	8.08	17.03
Balance with Scheduled Banks (Refer Note 16(i))	1342.37	1432.36
	1357.69	1459.35
(c) Previous year's figures have been regrouped / rearranged, wherever necessary.		

This is the Cash Flow Statement referred to in our Report of even date.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn No: 006711N/N500028

For and on behalf of the Board

Pramod Tilwani
Partner
M.No. 76650

Priya Gupta
Chief Financial Officer

Mahesh Verma
Company Secretary

Ravindra K Raje
Director

Ashok K Kapur
Whole-time Director

Jabalpur, 26th May, 2016



SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY INFORMATION FORMING NOTES ON FINANCIAL STATEMENT

1: CORPORATE INFORMATION

Narmada Gelatines Ltd. was set up in 1961 and is registered in Jabalpur (Madhya Pradesh) under Registration number L24111MP1961PLCO16023. The Registered office of the Company is at 28, CARAVS, 15 Civil Lines, Jabalpur (M.P.). The Company is engaged in the manufacture and sale of Ossein and Gelatine.

2: SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(ii) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(iii) Fixed Assets

(a) Tangible Fixed assets: The gross block of Fixed Assets is stated at cost of acquisition or construction (except revalued assets) including any cost attributable to bringing the assets to their working condition for their intended use. Borrowing costs that are directly attributable to acquisition or construction of an asset that necessarily takes a substantial period of time till such assets are ready for the intended use are capitalized.

Freehold land, Buildings, Plant and Machinery and Electrical Installations were revalued as at 31.3.1993 by an approved valuer at the then net replacement cost and are stated accordingly.

(b) Intangible Fixed assets: Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

(iv) Depreciation / Amortisation

a) Depreciation is provided on the basis of the useful lives of the assets as estimated by management and which are in line with the useful lives prescribed under Section 123 read with Schedule II of the Companies Act, 2013.

b) Depreciation on certain Buildings acquired prior to 1st July 1986 is charged under Written Down Value method and on others under Straight Line method.

c) Being a continuous plant, Depreciation on Plant and Machinery is charged based on the useful lives of the assets, as estimated by management, which is in line with the useful life prescribed in Schedule II of the Companies Act, under Straight Line method on single shift basis excepting certain items acquired before 1st July, 1986 on which depreciation is charged under Written Down Value method. Depreciation on Diesel Generator sets is charged under Straight Line Method.

d) Depreciation on Electrical Installations and Furniture & Fixtures is charged under Written Down Value method.

e) Depreciation on Motor Vehicles is charged under Straight Line method.

f) In respect of revalued assets, the incremental depreciation on account of revaluation is recouped from Revaluation Reserve.

g) Intangible assets are amortised over their estimated useful economic life under Straight Line method. Computer software cost is amortised over a period of five years.

(v) Investments

Non-current investments are stated at cost. Provision is made for diminution, other than temporary, in the value of investments, wherever applicable.

Current investments are carried at lower of cost and fair / market value.

(vi) Inventories

Inventories are stated at cost (net of CENVAT credit) or net realisable value, whichever is lower. Cost is determined on weighted average basis and comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis. Obsolete, slow moving and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.



NOTES ON FINANCIAL STATEMENTS

(vii) **Research and Development Expenses**

All revenue expenditure on research and development are written off in the year they are incurred. Capital expenditure on research and development is included in fixed assets and depreciated as per policy.

(viii) **Revenue Recognition**

- a) Sale of goods is recognised when the significant risk and rewards of ownership is transferred to the customer. Sales represents invoiced value of goods supplied, net of returns, including excise duty but excluding sales tax.
- b) Revenue recognition from sale of "Duty Entitlement Passbook Licence" is made on sale of the licence after receipt of the same from the office of the Director General of Foreign Trade.
- c) Income from Duty Drawback is recognised on receipt basis.

(ix) **Income from Investments**

Income from Investments (other than investments in shares of companies and Mutual Funds) is accounted on accrual basis. Income from investment in shares of companies is recognised as and when the right to receive such income is established.

(x) **Foreign Currency Transactions**

- a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year end in respect of monetary assets and monetary liabilities not covered by the forward contracts are recognized in the Profit and Loss Account.
- b) Non-monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.

(xi) **Employee Benefits**

Contributions to defined contribution schemes such as Pension, Provident Fund, etc. are charged to the Profit and Loss account as and when incurred.

Gratuity and other retirement benefit are considered as defined benefit plans. The Company's liability is determined on the basis of an actuarial valuation using the Projected Unit Credit method as at Balance Sheet date. Actuarial Gains / Losses are recognized immediately in the Statement of Profit & Loss in the year on which they arise.

Leave Encashment are accounted for on actuarial valuation at the year end using the Projected Unit Credit method. Actuarial Gains / Losses are recognized immediately in the Statement of Profit & Loss in the year on which they arise.

(xii) **Voluntary Retirement Scheme Expenses**

Voluntary Retirement Scheme Expenses are fully charged off in the year of payment.

(xiii) **Accounting for Taxes**

Income tax provision based on the present tax laws in respect of taxable income for the year and the deferred tax is treated in the accounts based on the Accounting Standard (AS) 22 on "Accounting for Taxes on Income". Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is tax recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future. However, in respect of unabsorbed depreciation or carry forward losses, the deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future. The Deferred tax assets and liabilities for the year, are reflected in the Statement of Profit and Loss. The cumulative effect thereof is shown in the Balance Sheet.

(xiv) **Impairment of Assets**

Impairment losses (if any) on fixed assets (including revalued assets) are recognized in accordance with the Accounting Standard "Impairment of Assets" issued in this regard by the Institute of Chartered Accountants of India. If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

(xv) **Provision and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

3 : SHARE CAPITAL

Authorised

	As at 31st March 2016	As at 31st March 2015
1,00,00,000 Equity Shares of ₹10/- each	1000.00	1000.00
1,00,00,000 9% Cumulative Redeemable Preference Shares of ₹ 10/- each	1000.00	1000.00
	2000.00	2000.00

Issued, Subscribed and Paid up

60,49,587 Equity Shares of ₹ 10/- each, fully paid	604.96	604.96
Forfeited Shares	0.07	0.07
Total	605.03	605.03

Notes :

(1) Of the above Equity Shares :

(a) 5,96,020 Equity Shares(*) were allotted as fully paid up by way of bonus shares by capitalisation of Capital Redemption Reserve and General Reserve in 1994-95.

(b) 46,650 Equity Shares (*) were allotted as fully paid up for consideration other than cash, pursuant to a contract.

*some of these shares (numbers not ascertainable since shares are in demat form) stand cancelled as per the Scheme of arrangement approved by Calcutta High Court on 6th May, 2003.

(c) 20,16,529 Equity Shares were allotted as fully paid up by way of bonus shares by capitalisation of Capital Redemption Reserve (₹ 148.61 Lac) and Securities Premium (₹ 53.04 Lac) in 2014-15.

(2) **Reconciliation of the number of shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:**

Particulars	No. of Shares	Amount ₹
Equity shares with voting rights as on 01.04.2015	6049587	60495870
Equity shares with voting rights as on 31.03.2016	6049587	60495870

(3) **Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2016, the amount of dividend per share recognized as distribution to equity shareholders was ₹ 4.00 (2014-15: ₹ 3.50).

(4) **Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates**

Particulars	Equity shares with voting rights and Numbers of Shares	
	31 March 2016	31 March 2015
Alfamont (Mauritius) Limited, the holding company	4537189	4537189

(5) **Equity shareholders holding more than 5% of equity shares along with the number of equity shares held**

Name of the Shareholder	%	Number of Shares	%	Number of Shares
Alfamont (Mauritius) Limited	75	4537189	75	4537189



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	As at		As at	
	31st March 2016		31st March 2015	
4 : RESERVES AND SURPLUS				
Capital Reserve		7.51		7.51
Securities Premium Account				
As per last Balance Sheet	425.37		478.41	
Less: Utilised for Issuance of Bonus Shares	-	425.37	53.04	425.37
Revaluation Reserve				
As per last Balance Sheet	57.22		90.15	
Less: Deduction on account of recoupment of depreciation for the year attributable to revaluation (Refer Note 4(i) and 4(iii))	3.10		6.47	
Deduction on account of impairment / sale of certain assets (Refer Note 4(ii) & 4(iii))	0.94	53.18	26.46	57.22
Capital Redemption Reserve				
As per last Balance Sheet	-		148.61	
Less: Utilised for Issuance of Bonus Shares	-	-	148.61	-
General Reserve				
As per last Balance Sheet	2072.36		1910.85	
Add: Transferred from Profit & Loss Account	82.87		155.04	
Transferred from Revaluation Reserve (Recoupment of current year depreciation)	3.10	2158.33	6.47	2072.36
Surplus				
Opening Balance	7244.34		6130.80	
Add: Net profit / (loss) for the current period	828.71		1550.47	
Amount available for appropriation	8073.05		7681.27	
Appropriations:				
Less: Adjustment of Fixed Assets (Refer Note 10(v))	-		27.82	
Transfer to General Reserve	82.87		155.04	
Proposed Dividend on Equity Shares	241.98		211.74	
Tax on proposed dividend	49.26		42.33	
Closing Balance		7698.94		7244.34
Total		10343.33		9806.80

4(i) Pursuant to an alignment with the requirement of the Companies Act, 2013, the Company has charged off the depreciation on account of revaluation as an expense to the profit and loss account to the tune of ₹ 3.10 lacs (previous year ₹ 6.47 lacs). The same is recouped from the revaluation reserve to general reserve as per the Application Guide on the provisions of Schedule II to Companies Act, 2013 issued by the Institute of Chartered Accountants of India.

4(ii) Other deductions from Revaluation Reserve comprises of ₹ 0.51 lac (previous year ₹ 1.96 lacs) towards acquisition of land by the Central Government as referred in note (iv) to Note 10 and ₹ 0.43 lac towards the revaluation amount of the asset sold as scrap (previous year ₹ 24.36 lacs balance revaluation amount relating to assets whose remaining useful life exhausted as on 01.04.2014 and ₹ 0.14 lac balance revaluation amount relating to buildings demolished).

4(iii) Cumulative amount withdrawn from revaluation reserve on account of depreciation on Revalued assets is ₹ 1056.49 lacs.



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	As at 31st March 2016	As at 31st March 2015
5 : DEFERRED TAX LIABILITIES (NET)		
Deferred tax liability comprises of following:		
Deferred Tax Liability		
Unabsorbed Depreciation on Fixed Assets	531.28	508.14
Deferred Tax Assets		
Disallowance as per Section 43B and Section 40(a) of the Income Tax Act, 1961	14.36	0.00
Provision for doubtful debts	13.32	13.58
	<u>27.68</u>	<u>13.58</u>
Net Deferred Tax Liability	<u>503.60</u>	<u>494.56</u>
6 : SHORT TERM BORROWINGS		
Bank Overdraft		
Secured against Fixed Deposits	152.42	115.07
Total	<u>152.42</u>	<u>115.07</u>
7 : TRADE PAYABLES		
Micro, Small and Medium Enterprises	51.99	27.72
Other Trade Payable	442.47	369.61
Total	<u>494.46</u>	<u>397.33</u>

The details for Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as on 31st March, 2016 are as follows.

Particulars

Principal Amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest		
Interest paid	-	-
Payment made beyond appointed date during the year	2.22	78.17
Interest due and payable for the period of delay	-	0.98
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years.		

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	As at 31st March 2016	As at 31st March 2015
8 : OTHER CURRENT LIABILITIES		
Unclaimed Dividend*	11.72	15.46
Unclaimed 9% Preference Share Redemption Account**	20.89	20.92
Capital Creditors	3.87	0.67
Statutory remittances	43.39	118.95
Trade & Security Deposits received	9.32	9.32
Advance from Customers	24.57	82.30
Other Liabilities***	164.19	13.30
Total	277.95	260.92

* These amounts will be transferred to the Investor Education and Protection Fund upon the same remaining unclaimed for seven years in terms of Section 124(5) of the Companies Act, 2013.

** The remaining amount unclaimed out of redemption of 9% Cumulative Redeemable Preference Shares redeemed in three equal instalments on 08.08.2006, 08.08.2007 and 08.08.2008.

*** Includes Retention Money and Group Insurance Premium payable.

9 : SHORT TERM PROVISIONS**(a) Provision for employee benefits**

Provision for Gratuity & Other Benefits (Refer Note 23.1)	41.51	28.37
Provision for Leave Encashment (Refer Note 23.1)	8.91	11.14
Provision for Bonus	46.42	23.78

(b) Provision - Others

Provision for Income tax (net of Advance Tax ₹ 3175.88 lacs (Previous year ₹ 3550.65 lacs))	56.86	19.71
Provision for Excise Duty*	12.98	12.98
Proposed Dividend on Equity Shares	241.98	211.74
Tax on Dividend	49.26	42.33
Total	457.92	350.05

* Provision made for Excise duty payable due to reversal of Cenvat Credit for earlier periods.



NOTES ON FINANCIAL STATEMENTS

10 : FIXED ASSETS

Amount (₹ lacs)

Assets	Gross Block at cost / Revalued value				Depreciation				Net Block	
	As at 01.04.15	Additions	Adjustment/ Deletion	As at 31.03.16	As at 01.04.15	Adjustment/ Deletion	For the Year	As at 31.03.16	As at 31.03.16	As at 31.03.15
Tangible:										
Freehold Land	117.43	-	0.51	116.92	-	-	-	-	116.92	117.43
Buildings	267.84	2.09	-	269.93	166.38	-	9.87	176.24	93.69	101.46
Plant and Machinery	5014.88	49.84	43.65	5021.07	2947.75	41.91	98.61	3004.44	2016.63	2067.13
Furniture and Fittings	5.43	0.96	-	6.38	3.41	-	0.81	4.22	2.16	2.02
Computer & Office Equipments	19.23	2.28	0.14	21.37	13.59	0.12	2.05	15.51	5.86	5.64
Electrical Installations	41.65	-	-	41.65	21.16	-	5.77	26.92	14.73	20.49
Total	5466.46	55.17	44.30	5477.32	3152.29	42.03	117.11	3227.33	2249.99	2314.17
Computer Software	6.60	-	-	6.60	3.56	-	0.12	3.68	2.92	3.04
Total	6.60	-	-	6.60	3.56	-	0.12	3.68	2.92	3.04
Grand Total	5473.06	55.17	44.30	5483.92	3155.85	42.03	117.23	3231.01	2252.91	2317.21
Previous Year	5890.33	103.09	520.36	5473.06	3486.15	457.46	127.16	3155.85	2317.21	

- (i) Freehold Land, Buildings, Plant & Machinery and Electrical Installations were revalued on 31.3.1990 and 31.3.1993 by an approved valuer at the then net replacement cost. The appreciation in value of these assets over their book value was credited to Revaluation Reserve.
- (ii) Addition in Plant and machinery includes Nil (previous year ₹ 1.85 lacs) incurred at Company's inhouse R&D facilities at the factory, eligible for weighted deduction under section 35(2AB) of the Income Tax Act, 1961.
- (iii) The company has identified the Gelatine manufacturing division as its cash-generating unit (CGU) as required by Accounting Standard AS-28 "Impairment of Assets" issued by The Institute of Chartered Accountants of India. There are no primary indications that the recoverable amount of CGU is less than its carrying cost. Accordingly, no detailed exercise has been done to calculate the amount of impairment loss. During the year ended 31st March 2016, the company has written off the damaged HCL Storage Tank and the charge to Profit & Loss Account is ₹ 1.02 lacs (Previous year - Nil).
- (iv) Deletion to Land ₹ 0.51 lac (Previous year ₹ 1.85 lacs) and buildings Nil (Previous year ₹ 1.57 lacs) pertains to acquisition of 0.3458 acres (previous year 1.26 acres) by the Central Government for building (widening / four-laning, etc), maintenance, management and operation of National Highway (NH-12). The Company has received compensation of ₹ 12.65 lacs (Previous year ₹ 54.49 lacs) towards Land and ₹ 0.83 lac (Previous year ₹ 21.16 lacs) towards Buildings situated on that land resulting in a surplus of ₹ 13.48 lacs (Previous year ₹ 75.22 lacs.)
- (v) Depreciation expenditure has been recalculated adopting useful life of assets as prescribed under Schedule II of the Companies Act, 2013 applicable from 1st April, 2014. The useful life of some of the assets was exhausted as on 1.04.2014; the WDV net of residual value amounting to ₹ 27.82 lacs has been adjusted against the retained earnings in the year 2014-15.
- (vi) Gross Block includes assets revalued based on the reports issued by the Valuer, as per details given below:

Assets	Revalued on 31.03.1990	Revalued on 31.03.1993	Amount Credited to Revaluation Reserve	Present Balance in Revaluation Reserve as on 31.03.2016
Land	22.65	27.00	49.65	47.30
Buildings	136.73	158.99	295.72	4.62
Plant & Machinery	-	755.71	755.71	1.26
Electrical Installations	-	8.58	8.58	-
Total	159.38	950.28	1109.66	53.18



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	As at 31st March 2016	As at 31st March 2015
11 : NON-CURRENT INVESTMENTS		
(Not intended to be realised within 12 months from the reporting date)		
Quoted - Non-trade		
Investments in Mutual Funds (at cost)		
IDFC Fixed Term Plan Series - 34 - Regular Plan Growth (1000000 units of ₹ 10.00 each)	100.00	100.00
HDFC FMP 370D August 2013 (1) Series 26 (1000000 units of ₹ 10.00 each)	100.00	100.00
IDFC Super Saver Income Fund - Medium Term Plan - Growth - Regular Plan (495889.079 units of ₹ 20.16 each)	100.00	100.00
ICICI Prudential Short Term Plan - Regular Growth (395860.87 units of ₹ 25.26 each)	100.00	100.00
HDFC FMP 435Days March 2014 (I) - Series 29 - Regular Growth (1100000 units of ₹ 10.00 each)	110.00	110.00
UTI Fixed Term Income Fund - Series XVII - XVIII - 796 days - Growth Plan (1250000 units of ₹ 10.00 each)	125.00	125.00
UTI FMP - Yearly FMP Series March 2014 - Direct Growth Plan (1000000 units of ₹ 10.00 each)	100.00	100.00
Birla Sunlife Interval Income Fund Annual Plan V (368 days) - Growth Regular (76415.914 units of ₹ 10.87 each)	-	8.31
ICICI Prudential Income Plan - Regular - Growth (247475 units of ₹ 40.41 each)	100.00	-
IDFC Super Saver Income Fund - Investment Plan - Growth Regular (320088 units of ₹ 31.24 each)	100.00	-
Reliance Dynamic Bond Fund Growth Plan (1115306 units of ₹ 17.93 each)	200.00	-
ICICI Prudential Income Plan - Regular Plan Growth (120514 units of ₹ 41.49 each)	50.00	-
IDFC Super Saver Income Fund - Investment Plan - Growth - Regular Plan (155499 units of ₹ 32.15 each)	50.00	-
Reliance Dynamic Bond Fund Growth Plan (556393 units of ₹ 17.97 each)	100.00	-
Birla Sunlife Income Plus Growth Regular Plan (337104 units of ₹ 59.33 each)	200.00	-
IDFC Super Saver Income Fund - Investment Plan - Growth - Regular Plan (301580 units of ₹ 33.16 each)	100.00	-
ICICI Prudential Income - Regular Plan - Growth (233791 units of ₹ 42.77 each)	100.00	-
IDFC Super Saver Income Fund - Medium Term Plan - Growth Regular Plan (600833 units of ₹ 23.30 each)	140.00	-
BSL Dynamic Bond Fund - Retail - Growth - Regular Plan (413102 units of ₹ 24.21 each)	100.00	-
Reliance Short Term Fund - Growth Plan - Growth Option (579202 units of ₹ 25.89 each)	150.00	-
ICICI Prudential Short Term Regular - Growth (352781 units of ₹ 28.35 each)	100.00	-
BSL Dynamic Bond Fund - Retail - Growth - Regular Plan (410016 units of ₹ 24.39 each)	100.00	-
Reliance Short Term Fund - Growth Plan - Growth Option (381589 units of ₹ 26.21 each)	100.00	-
ICICI Prudential Short Term Regular - Growth (349290 units of ₹ 28.63 each)	100.00	-
Birla Sunlife Income Plus, Growth Regular Plan (158477.35 units of ₹ 63.10 each)	100.00	-
Investments in Bonds		
Rural Electrification Corporation Limited - REC Bond (65 Bonds of ₹ 10000 each)	6.50	-
Total	2,631.50	743.31
(i) Aggregate amount of quoted investments	2,625.00	743.31
(ii) Market Value of quoted investments (based on Net Asset Value declared by Mutual Fund as on 31.3.2016)	2,980.02	841.59



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	As at 31st March 2016	As at 31st March 2015
12 : LONG TERM LOANS AND ADVANCES (Unsecured)		
Considered Good		
Security Deposits with Government and other bodies	0.05	0.08
Electricity and other deposits	129.14	108.08
Total	129.19	108.16
13 : CURRENT INVESTMENTS		
(Realisable within 12 months)		
Quoted - Non-trade		
Investments in Mutual Funds (Valued at Cost or NAV, whichever is less)		
ICICI Prudential Income Plan - Regular Plan - Growth (247475 units of ₹ 40.41 each)	-	100.00
IDFC Super Saver Income Fund - Investment Plan Growth - Regular Plan (320088 units of ₹ 31.24 each)	-	100.00
Reliance Dynamic Bond Fund Growth Plan (1115306 units of ₹ 17.93 each)	-	200.00
ICICI Prudential Income Plan - Regular Growth (120514 units of ₹ 41.49 each)	-	50.00
IDFC Super Saver Income Fund - Investment Plan - Growth - Regular Plan (155499 units of ₹ 32.15 each)	-	50.00
Reliance Dynamic Bond Fund - Growth Plan (556393 units of ₹ 17.97 each)	-	100.00
Birla Sunlife Income Plus - Growth Regular Plan (337104 units of ₹ 59.33 each)	-	200.00
IDFC Super Saver Income Plan - Investment Plan - Growth - Regular Plan (301580 units of ₹ 33.16 each)	-	100.00
ICICI Prudential Income Plan - Regular - Growth (233791 units of ₹ 42.77 each)	-	100.00
IDFC Super Saver Income Fund - Medium Term Plan - Growth Regular Plan (600833 units of ₹ 23.30 each)	-	140.00
BSL Dynamic Bond Fund - Retail - Growth - Regular Plan (413102 units of ₹ 24.21 each)	-	100.00
Reliance Short Term Fund - Growth Plan - Growth Option (579202 units of ₹ 25.89 each)	-	150.00
ICICI Prudential Short Term - Regular Plan - Growth Option (352781 units of ₹ 28.35 each)	-	100.00
BSL Dynamic Bond Fund - Retail - Growth Fund - Regular Plan (410016 units of ₹ 24.39 each)	-	100.00
Reliance Short Term Fund - Growth Plan - Growth Option (381589 units of ₹ 26.21 each)	-	100.00
ICICI Prudential Short Term - Regular Plan - Growth Option (349290 units of ₹ 28.63 each)	-	100.00
Birla Sunlife Income Plus Growth Regular Plan (158477 units of ₹ 63.10 each)	-	100.00
ICICI Prudential FMP Series 73 - Plan - Growth Option (1000000 units of ₹ 10.00 each)	-	100.00

Contd..



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	As at 31st March 2016	As at 31st March 2015
13 : CURRENT INVESTMENTS (Contd.)		
ICICI Prudential Income - Plan Regular - Growth (230680.51 units of ₹ 43.35 each)	100.00	-
Reliance Income Fund - Growth Plan - Growth Option (217596.60 units of ₹ 45.96 each)	100.00	-
Birla Sunlife Cash Manager - Growth - Direct Plan (16496.30 units of ₹ 363.72 each)	60.00	-
Reliance Money Manager Fund - Direct - Growth Plan - Growth Option (160.85 units of ₹ 2060.54 each)	3.31	-
Birla Sunlife Savings Fund - Growth - Direct Plan (8768.73 units of ₹ 288.70 each)	25.32	-
IDFC Super Saver Income Fund - Short Term Plan - Growth (Regular Plan) (247085.22 units of ₹ 30.35 each)	75.00	-
Reliance Income Fund - Growth Plan - Growth Option (160651.52 units of ₹ 46.68 each)	75.00	-
Birla Sunlife Income Plus, Growth Regular Plan (117888.94 units of ₹ 63.62 each)	75.00	-
Birla Sunlife Short Term Fund - Growth - Regular Plan (133976.69 units of ₹ 55.98 each)	75.00	-
Reliance Quarterly Interval Fund - Series II Direct Growth Plan Growth Option (926707.21 units of ₹ 20.50 each)	190.00	-
Total	778.63	1990.00
(i) Aggregate amount of quoted investments	778.63	1990.00
(ii) Market Value of quoted investments (based on Net Asset Value declared by Mutual Funds as on 31st March)	801.67	2065.20
14 : INVENTORIES (at lower of cost and net realisable value)		
Raw Materials	956.67	1069.89
Stock in Process	1387.59	1251.85
Finished Goods (includes in transit ₹ 81.16 lacs (Previous year: ₹ 93.17 lacs))	932.00	944.17
Stores & Spare Parts	329.77	426.35
Total	3606.03	3692.26
15 : TRADE RECEIVABLES (Unsecured)		
Receivables outstanding for a period exceeding six months		
Considered good	5.67	0.14
Considered doubtful	38.50	31.86
Other Receivables		
Considered good	1672.89	1490.36
Considered doubtful	-	8.11
	1717.06	1530.47
Less: Provision for doubtful debts	38.50	39.97
Total	1678.56	1490.50



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	As at 31st March 2016	As at 31st March 2015
16 : CASH & BANK BALANCES		
Cash and Cheques in Hand	7.24	9.96
Balances with Banks in		
Current Account	98.06	272.10
Fixed Deposit (Refer Note 16(i) & 16(ii) below)	1,211.70	1,123.88
Unclaimed Dividend Account	11.72	15.46
9% Preference Shares Redemption Account	20.89	20.92
Others - Remittances in Transit	8.08	17.03
Total	1,357.69	1,459.35
16(i) Fixed Deposit with banks include ₹ 867.08 lacs (Previous year ₹652.89 lacs) on which lien has been marked for availing overdraft facility from banks. The overdraft outstanding as on 31.3.2016 was ₹ 152.41 lacs (Previous year ₹ 115.07 lacs)		
16(ii) Fixed deposits with banks include deposits of ₹ 211.68 lacs (Previous Year ₹ 150 lacs) with maturity of more than 12 months.		
17 : SHORT-TERM LOANS AND ADVANCES (Unsecured)		
Considered Good		
Loans and advances to employees	17.76	19.32
Prepaid expenses	8.81	9.83
Balance with Government authorities	68.98	62.95
Other loans and advances	255.00	82.85
Total	350.55	174.95
In the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provisions are made for all the expected liabilities.		
18 : OTHER CURRENT ASSETS		
Interest Accrued on Deposits	49.42	54.02
Total	49.42	54.02
	Year Ended 31st March 2016	Year Ended 31st March 2015
19 : REVENUE FROM OPERATIONS		
Sale of Products		
Manufactured Goods :		
Gelatine	9883.50	10718.11
DCP - Animal Feed Grade	3338.82	3017.12
Ossein	805.52	719.21
Bone Meal Products	45.50	32.45
	14073.34	14486.89
Less : Excise Duty*	902.47	1057.71
Net Sales	13170.87	13429.18
* Excise Duty deducted from Gross Sales represents the Excise Duty paid on goods removed from the factory and is net of provision of Excise Duty on closing stock at factory.		
19.1 Earning in Foreign Exchange (included in sale of products)		
Export of goods on F.O.B. basis	385.68	484.62



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	Year Ended 31st March 2016		Year Ended 31st March 2015	
20 : OTHER INCOME				
(i) Operating Income				
Sale of Scrap / Coal Ash		15.14		19.45
Duty Drawback		5.61		3.26
Other Income		115.53		17.75
Foreign Exchange Gain		2.26		4.04
Total		138.54		44.50
(ii) Non-Operating Income				
Interest Income (Gross)				
From Banks	103.95		101.95	
From Others	20.27	124.22	15.91	117.86
(Tax Deducted at source ₹ 11.64 lacs (Previous Year ₹ 10.82 lacs))		-		-
Net gain on Redemption of Mutual Fund Investments		32.25		152.28
Net profit on sale of Assets		5.44		1.67
Total		161.91		271.81
Total		300.45		316.31
21 : COST OF MATERIAL CONSUMED				
Opening Stock of Raw Materials		1069.89		1158.99
Add : Purchases		7781.31		7438.29
		8851.20		8597.28
Less : Closing Stock		956.67		1069.89
Total		7894.53		7527.39
21.1 Particulars of Raw Materials Consumed				
Crushed Bones		6913.49		6254.92
Hydrochloric Acid		413.82		466.80
Others		567.22		805.67
		7894.53		7527.39
22 : CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS (Increase) / Decrease				
Opening Stocks				
Finished Goods	944.17		488.13	
Stock in Process	1,251.85	2,196.02	1,121.98	1,610.11
Closing Stocks				
Finished Goods	932.00		944.17	
Stock in Process	1,387.59	2,319.59	1,251.85	2,196.02
Net (Increase) / decrease		(123.57)		(585.91)
22.1 Particulars of Finished Goods Inventories				
Gelatine		900.05		897.22
Ossein		21.08		34.13
Di-calcium Phosphate		10.87		12.82
Total		932.00		944.17



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	Year Ended 31st March 2016	Year Ended 31st March 2015
23 : EMPLOYEES BENEFITS EXPENSE		
Salaries, Wages, Bonus, etc.	974.43	940.48
Contribution to Provident & Other Funds	61.66	96.84
Workmen & Staff Welfare	39.31	38.44
Total	1075.40	1075.76

23.1 As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below:

Defined Contribution Plans : Provident Fund

The provident fund is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income tax authorities. The Company has recognized the following amounts in the Profit and Loss Account for the year:

Contribution to Provident Fund	56.60	57.65
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Defined Benefit Plans : Gratuity and Leave Encashment

Gratuity is payable to employees as per Payment of Gratuity Act. Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the company's policy. The company has funded the Gratuity liability under Group Gratuity Scheme of Life Insurance Corporation of India Ltd. and the Leave encashment liability is funded under a Group Leave Encashment Scheme of Life Insurance Corporation of India Ltd.

Valuations in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Discount Rate per annum (Compound)	7.46%	7.77%
Rate of increase in Salaries	8.00%	8.00%
Expected Rate of Return on Plan Assets	8.80%	8.75%
Expected Average remaining working lives of employees in no. of years	Officers - 12.26 Staff - 7.39	Officers - 11.64 Staff - 7.22

Summary of Key Information

Particulars	31st March 2016		31st March 2015	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
i. Changes in Defined Benefit Obligation:				
Present Value of obligation at the beginning of the year	335.41	40.61	372.69	39.03
Interest Cost	23.03	2.98	29.61	3.08
Current Service Cost	18.76	6.75	39.26	15.13
Actuarial (Gain) / Loss	(6.24)	(3.58)	(18.80)	(7.03)
Benefits paid	(77.94)	(4.57)	(87.35)	(9.60)
Present Value of obligation at end of the year	293.02	42.19	335.41	40.61
ii. Changes in Fair Value of Plan Assets:				
Fair Value of Plan Assets at the beginning of the year	307.06	29.47	356.74	9.70
Adjustment in opening balance	11.43	(5.82)	-	(0.32)
Expected Return on Plan Assets	25.89	2.37	28.09	1.68
Employer Contribution	29.40	11.14	15.96	29.33
Actuarial Gain/(Loss)	1.04	0.69	(6.38)	(1.32)
Benefits Paid	(77.94)	(4.57)	(87.35)	(9.60)
Fair Value of Plan Assets at the end of the year	296.88	33.28	307.06	29.47
iii. Reconciliation of the Present value of defined Present Obligations and the Fair Value of Assets:				
Present Value of obligations at the end of the year	293.02	42.19	335.41	40.61
Fair Value of Plan Assets at the end of the year	296.88	33.28	307.06	29.47
Present Value of unfunded obligation at the end of the year	3.86	-	(28.35)	-
Unrecognised Past Service	-	-	-	-
Unrecognised Actuarial (Gain) / Loss	-	-	-	-
Unfunded Net Liability recognised in Balance Sheet	3.86	(8.91)	(28.35)	(11.14)
iv. Expenses recognised in Profit and Loss Account:				
Current Service Cost	18.76	6.75	39.26	15.13
Interest Cost	23.03	2.98	29.61	3.08
Net Actuarial (Gain) / Loss	(7.28)	(4.27)	(12.42)	(5.71)
Expected Return on Plan Assets	(25.89)	(2.37)	(28.09)	(1.68)
Others	-	-	-	-
Total Expenses recognised in Profit and Loss A/c	8.62	3.09	28.35	10.82
Expected Employer contribution for next year	8.62	3.09	28.35	10.82



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	Year Ended 31st March 2016	Year Ended 31st March 2015
24 : FINANCE COST		
Interest to Bank	1.48	9.64
Other Borrowing cost	2.68	3.04
Total	4.16	12.68
25 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and Amortisation	117.23	127.15
Total	117.23	127.15
26 : OTHER EXPENSES		
Consumption of stores and spare parts (Refer Note 26.1 below)	133.39	160.45
Excise Duty on Closing Stock of finished goods	102.63	103.68
Rates & Taxes	12.17	5.19
Power & Fuel	2037.80	2104.01
Effluent Expenses	47.88	45.72
Insurance	8.85	7.03
Repairs		
Building	41.31	57.96
Machinery (Refer Note 26.2 below)	328.48	312.80
Audit fees & Expenses (Refer Note 26.5 below)	7.46	7.27
Freight and Delivery Charges	125.79	138.43
Selling Agents' Commission	22.90	21.89
Rent	13.59	11.02
Travelling	23.07	22.87
Directors' Fees	3.04	3.08
Rebate & Discount	37.83	19.80
Advertisement	5.58	6.95
Research & Development Expenses	12.65	13.92
Sundry Balances written off	0.22	0.81
Provision for Bad and doubtful debts	0.00	20.71
Interest paid/payable to SMEs	0.07	0.98
CSR Expenses (Refer Note 33)	46.07	41.75
Miscellaneous Expenses	207.92	216.93
Total	3218.70	3323.25

26.1 Value of stores, spare parts and components consumed:

	Amount	%	Amount	%
Indigenous	133.39	100.00	160.45	100.00
Imported	-	-	-	-
	133.39	100.00	160.45	100.00

26.2 Stores consumed included under Repairs to Machinery ₹244.24 lacs (2014-15: ₹202.96 lacs), Miscellaneous Expenses ₹11.59 lacs (2014-15: ₹11.95 lacs), Workmen and Staff Welfare ₹4.40 lacs (2014-15: ₹6.47 lacs).

26.3 Value of Imports on CIF basis:

Raw Materials	-	14.48
Spares / components	-	-
Total	-	14.48



NOTES ON FINANCIAL STATEMENTS

Amount (₹ lacs)

	Year Ended 31st March 2016	Year Ended 31st March 2015
26.4 Expenditure in Foreign Currency :		
Travelling	1.34	2.04
Others	10.42	20.44
Total	11.76	22.48
26.5 Payment to Auditors		
Statutory Audit Fees	5.25	5.25
Certification and Other Matters	1.35	1.35
Reimbursement of out of pocket expenses	0.86	0.67
Total	7.46	7.27
	As at 31st March 2016	As at 31st March 2015
27: Estimated amount of contracts remaining to be executed on capital account not provided for	4.75	Nil
28: Contingent liability not provided for in respect of :		
(a) Bank Guarantees given to Government Authorities	6.00	14.00
(b) Claims not acknowledged as debts		
(i) Excise Duty	269.78	479.49
(ii) Income Tax	107.36	103.90
(iii) Sales Tax	23.85	23.84

In all the above cases, the management, including the tax advisors are of the view that the Company's position is likely to be upheld in the appellate forums. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and profitability.

29: Segment Information as per Accounting Standard (AS)-17

The company is engaged in the business of manufacture and sale of gelatine and its by-product DCP for industrial applications which form part of one product group and hence a single business segment. However, based on geographical factors, reportable geographic segments have been identified as exports sales and domestic sales. The segment-wise information pertaining to the reportable geographical segments for the year ended 31st March, 2016 is as follows:

		Exports	Domestic	Total
Segment Revenue	2015-16	394.09	12920.76	13314.85
	2014-15	491.10	12982.44	13473.54
Segment Results	2015-16	103.35	1185.68	1289.03
	2014-15	104.32	2172.94	2277.26
Unallocated Expenditure	2015-16			4.16
	2014-15			12.08
Profit from Ordinary activities Before Tax	2015-16			1284.87
	2014-15			2265.16

Capital employed as also assets and liabilities of the company are not capable of being stated segment-wise since all the assets and liabilities are held under composite undertaking for both the geographic segments.



NOTES ON FINANCIAL STATEMENTS

30: Related Party Disclosure as per Accounting Standard (AS)-18:

(a) Enterprises where control exists:

Jumbo World Holdings Limited	Ultimate Holding Company
Alfamont (Mauritius) Limited	Holding Company

(b) Other group companies:

Aasman Management Services Pvt. Ltd.; Dandvati Investments & Trading Co. Pvt. Ltd.; Firestorm Electronics Corporation Pvt. Ltd.; GWL Properties Ltd.; Harshit Finlease & Investments Pvt.Ltd.; Jumbo Electronics Corporation Pvt. Ltd.; Jumbo Investments Ltd.; Jumbo World Holdings (India) Pvt. Ltd.; MPIL Corporation Ltd.; Primo Enterprises Pvt. Ltd.; SMN Engineers Ltd.; Starfire Investments Ltd.; Wizer Advertising Pvt. Ltd.

(c) Key Management Personnel:

Mr. Ashok Kapur, Whole-time Director
Mr. Mahesh Verma, Company Secretary
Ms. Priya Gupta, Chief Financial Officer

(d) Particulars of transactions with related parties and balances at year end :

(₹ lacs)

Particulars	2015-16	2014-15
1 Transactions with Holding Company		
Alfamont (Mauritius) Limited		
Dividend Paid	158.80	151.24
2 Transactions with Group Companies		
MPIL Corporation Ltd		
(i) Guest House Lease Rent	3.60	3.60
(ii) Fees for infrastructure services & other expenses	7.25	8.21
Jumbo Electronics Corp. Pvt. Ltd		
Reimbursement of cost of Internal Auditor	Nil	1.50
3 Transactions with Key Managerial Personnel		
(i) Remuneration Paid to Mr. Ashok K Kapur, Wholetime Director	30.87	30.83
(ii) Remuneration Paid to Mr. Mahesh Verma, Company Secretary	11.45	10.50
(iii) Remuneration Paid to Ms. Priya Gupta, Chief Financial Officer	4.94	4.21
4. Balances due to Group Companies		
MPIL Corporation Limited	0.77	0.66
Jumbo Electronics Corp. Pvt. Ltd	Nil	0.75

e) Brief particulars of the arrangements with related parties:

Name of Related Party	Nature of relationship	Nature of contract/ arrangement	Salient terms of contract	Date of approval by Board	Amount of advance paid, if any the
MPIL Corporation Ltd	Group Company	Providing Infrastructure and secretarial services	₹ 50,000 per month	27 th May 2014	Nil
MPIL Corporation Ltd	Group Company	Lease of Guest House in Mumbai	₹ 30,000 per month for a period of 3 years from 1 st Oct 2014 to 30 th Sept 2017	11 th November 2014	Nil



NOTES ON FINANCIAL STATEMENTS

	Year Ended 31st March 2016	Year Ended 31st March 2015
31 : Earnings per Share (EPS) as per Accounting Standard (AS)-20:		
Profit available for equity shareholders	₹ 828.71 lacs	₹ 1550.47 lacs
Weighted average number of equity shares	60,49,587	60,49,587
Nominal value of equity share	₹ 10	₹ 10
Earnings per share – Basic / Diluted	₹ 13.70	₹ 25.63
Adjusted Earnings per share – Basic / Diluted*		
32 : Net dividend Remitted in Foreign currency:		
No. of Shareholder(s)	1	1
No. of Equity Shares	4537189	3024793
Amount Remitted (₹ lacs)	158.80	151.24
Year to which it pertains	2014-15	2013-14
33 : As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. As part of initiatives under "Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Environment / river protection, Education, Livelihood, Health care, Water, Sanitation, Rural Development, promotion of sports and cultural activities, which are specified in Schedule VII of the Companies Act, 2013. The amount spent on the same is given below:		
		(₹ lacs)
(a) Gross amount required to be spent by the company during the year 2015-16		46.06
(b) Amount spent during the year on:		
(i) Construction / acquisition of any asset		Nil
(ii) On purposes other than (i) above		
In cash		43.97
Yet to be paid in cash		2.09
Total		46.06
34 : Pursuant to an alignment with the requirement of the Companies Act, 2013, the Company has charged off the depreciation on account of revaluation as an expense to the profit and loss account. Accordingly, the profit for the year ended 31 st March 2016 is lower by ₹ 3.10 lacs.		
35 : Forward Contracts and Unhedged Foreign Currency Exposures:		
(a) Forward Contracts outstanding as at the Balance Sheet date		
No. of sell contracts relating to firm commitments	1	Nil
Foreign Currency – US\$	69840	Nil
₹ lacs	43.32	Nil
(b) Foreign Currency exposures which are not hedged as at the Balance Sheet date		
Foreign Currency – US\$	102500	Nil
₹ lacs	67.99	Nil
36 : Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Figures in bracket indicate previous year's figures.		

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn No: 006711N/N500028

For and on behalf of the Board

Pramod Tilwani
Partner
M.No. 76650

Priya Gupta
Chief Financial Officer

Mahesh Verma
Company Secretary

Ravindra K Rajee
Director

Ashok K Kapur
Wholetime Director

Jabalpur, 26th May, 2016



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Fifty-Fifth Annual General Meeting of the Members of Narmada Gelatines Limited will be held on Thursday, 22nd September, 2016 at 11:30 a.m., at Narmada Jacksons Hotel, South Civil Lines, Jabalpur – 482 001, to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2016 including the Reports of the Board of Directors and Auditors thereon and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited Financial Statements of the Company for the year ended 31st March, 2016, including the Balance Sheet as at that date and Statement of Profit and Loss Account for the year ended and the Cash Flow Statement for the year ended on that date together with the Reports of the Directors and Auditors thereon as laid before this Meeting be and are hereby approved and adopted.”

2. To declare dividend on equity shares for the financial year ended March 31, 2016 and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the re-commendation of the Board of Directors, dividend @ 40% i.e. ₹ 4.00 per Equity Share of ₹ 10/- each, fully paid-up, be and is hereby declared in respect of the financial year ended 31st March, 2016 and that the Dividend be paid to those Equity Shareholders whose names appear on the Register of Equity Shareholders as on 15th September, 2016 or to their mandatees”.

3. To appoint a director in place of Mr. Ravindra K Raje (DIN 001 12003), who retires by rotation and, being eligible, offers himself for re-appointment and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Ravindra K Raje (DIN 001 12003), Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed, as a Director of the Company, liable to retire by rotation”.

4. Appointment of Auditors and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s T.R.Chadha & Co. LLP, Chartered Accountants (ICAI Registration No. 006711N), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, including service tax, out-of-pocket and travelling expenses.”

SPECIAL BUSINESS

5. Re-appointment of Mr. Ashok K Kapur (DIN 00126807) as the Whole-time Director of the Company and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Ashok K. Kapur (DIN 00126807), as Whole-time Director of the Company with effect from June 1, 2016 to May 31, 2019, as well as the payment of remuneration, upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Ashok K Kapur.

RESOLVED FURTHER THAT the remuneration payable to Mr. Ashok K Kapur, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution”.

6. Re-appointment of Justice Gulab Gupta (DIN 00191368) as an Independent Director and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Justice Gulab Gupta (DIN 00191368), Director of the Company,



who was appointed as an Independent Director at the meeting held on 22nd September, 2014 and whose term of office expires at this Annual General Meeting ("AGM") and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the date of this AGM till the date of 60th AGM of the Company or till 21st September 2021, whichever is earlier and not liable to retire by rotation."

7. Re-appointment of Mr. Mohan C. Pant (DIN 00257707) as an Independent Director and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Mohan C. Pant (DIN 00257707), Director of the Company, who was appointed as an Independent Director at the meeting held on 22nd September, 2014 and whose term of office expires at this Annual General Meeting ("AGM") and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the date of this AGM till the date of 60th AGM of the Company or till 21st September 2021, whichever is earlier and not liable to retire by rotation."

8. Re-appointment of Mr. Deepak Chaudhuri (DIN 00456234) as an Independent Director and in this respect to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Deepak Chaudhuri (DIN 00456234), Director of the Company, who was appointed as an Independent Director at the meeting held on 22nd September, 2014 and whose term of office expires at this Annual General Meeting ("AGM") and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the date of this AGM till the date of 60th AGM of the Company or till 21st September 2021, whichever is earlier and not liable to retire by rotation."

By Order of the Board of Directors

For Narmada Gelatines Limited

Mahesh Verma

Company Secretary
Jabalpur
26th May, 2016

Registered Office:
CARAVS, Room No. 28
15 Civil Lines, Jabalpur – 482001

Notes :

- (a) The Register of Members and the Share Transfer Register will remain closed from 16th September to 22nd September, 2016 (both days inclusive).
- (b) **The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means.** Instructions and other information relating to e-voting are given in this Notice under Note (v) herein below. The Company will also send a separate communication relating to remote e-voting which, inter alia, would contain details about User ID and password along with a copy of this Notice.
- (c) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more



than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable. A Proxy form is attached to this Notice.

- (d) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- (e) Brief resume of Directors proposed to be appointed or re-appointed, nature of his expertise in specific functional areas, names of the companies in which he hold directorships, memberships/chairmanships for Board/Committees, shareholding and relationship between directors inter-se as stipulated in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per provisions mentioned in clause 1(1.2.5) of the Secretarial Standard - 2 on 'General Meetings issued by the council of the Institute of Company Secretaries of India and approved by the Central Government, for person seeking re-appointment/appointment as director are annexed to this Notice and in the Corporate Governance Report forming part of the Annual Report.
- (f) Members and proxy holders are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- (g) Members who hold shares in dematerialised form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
- (h) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (i) Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m., up to the date of the Meeting.
- (j) Dividend on Equity Shares, if declared at the meeting will be credited / dispatched on or after 22nd September, 2016 to those members whose names appear on the Company's Register of Members as on 15th September, 2016 (Record Date). In respect of shares held in electronic mode, the dividend will be paid to members whose names are furnished by the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as the beneficial owners on 15th September, 2016
- (k) Members are requested to notify immediately :
- to their Depository Participants (DP) in respect to their Electronic Share Account; and
 - to the Company at its Registered Office or to the Registrars and Share Transfer Agents of the Company in respect of their physical share holdings.

any change of address and also particulars of their Bank Accounts viz. Name of Bank, Branch, complete address of the Bank and Account Number for printing the same on the Dividend Warrants to avoid fraudulent encashment

- (l) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
- (m) Any Member desirous of obtaining any information on the Accounts of the Company may forward such queries in writing to the Company Secretary at the Registered Office, at least ten days prior to the date of the Meeting.
- (n) Members having multiple ledger folio in identical name or joint names in identical order, are requested to intimate to the Company or its Registrars such ledger folio(s) for consolidating such multiple holdings into single account.
- (o) Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), the Company has transferred the unpaid or unclaimed dividends for the financial years ended 31st March, 2008, from time to time, to the Investor Education and Protection Fund (IEPF) established under Section 205C of the Act. In accordance with the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rule, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 17th September, 2015 (date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs (MCA). Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company.
- (p) In terms of the provisions of Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital & Debentures) Rules, 2014, a Member may nominate, at any time, in the prescribed manner in Form No. SH.13, a person to whom his/her shares in the Company shall vest in the event of his/her death. This may be sent to the Company Secretary at the Registered Office, duly completed.



- (q) Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar & Share Transfer Agents, M/s. CB Management Services Pvt. Ltd.
- (r) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- (s) Non-Resident Indian members are requested to inform the company's Registrar and transfer agents M/s CB Management Services Pvt. Ltd immediately of:
- change in the residential status on return to India for permanent settlement; and
 - particulars of their Bank account maintained in India with complete name, branch, account type, account no. and address of the bank, if not furnished earlier.
- (t) Electronic copy of the Annual Report and Notice of the 55th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 55th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- (u) Members may also note that the Notice of the 55th Annual General Meeting and the Annual Report for the financial year ended March 31, 2016 will also be available on the Company's website www.narmadagelatines.com.

Members are also requested to inform their correct e-mail address, if any, to the Depositories (if shares held in demat form) and to the Registrars and share transfer agents by visiting their website namely "www.cbmsl.com/Green.php" (if shares held in physical form) in compliance of Green Initiative as per circular No. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by Ministry of Corporate Affairs to facilitate the company to send notice/documents through e-mail.

Members who do not have access to e-voting facility may write to the company of their intention to exercise their assent or dissent on shareholders' resolution by way of postal ballot. The company shall provide postal ballot facility to such members.

- (v) Voting through electronic and other means

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

- The facility for voting through ballot or polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot or polling paper.
- The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility.
- The voting rights of shareholders shall be reckoned on the paid-up value of equity shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 15th September, 2016.
- A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 15, 2016 only shall be entitled to avail the facility of remote e-voting / Ballot Poll.
- The Board of Directors of the Company has appointed Mr. Asim Kumar Chattopadhyay, Company Secretary whole time in Practice (ICSI Membership No. FCS 2303), Ananya Complex, 3rd Floor, 209, B.T. Road, Kolkata-700036, as the Scrutinizer to scrutinize the remote e-voting and voting process at the AGM in a fair and transparent manner and Mr. Sunil Bhandari, Chartered Accountant, Jabalpur as the Scrutinizer to scrutinize the voting process at the AGM in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
- The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated Scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated Scrutinizer's report shall be placed on the website of the Company



www.narmadagelatines.com and on the website of CDSL, and the results shall simultaneously be communicated to the BSE Limited.

- The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 22, 2016.

Please read the instructions below carefully before exercising your vote.

These details and instructions form an integral part of Notice for the Annual General Meeting to be held on 22nd September, 2016.

Steps for E-voting

The instructions for members for remote e-voting are as under:

In case of members receiving e-mail:

- Log on to the e-voting website www.evotingindia.com
- Click on "Shareholders" tab.
- Select the Electronic Voting Sequence Number - "EVSN" along with "NARMADA GELATINES LIMITED" from the drop down menu and click on "SUBMIT".
- Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID). Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user, follow the steps given below.
- Fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the relevant EVSN on which you choose to vote.



- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.co.in and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- a) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- b) The remote e-voting begins on 19th September, 2016 (9:00 am) and ends on 21st September, 2016 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 15th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors

For Narmada Gelatines Limited

Mahesh Verma

Company Secretary

Jabalpur

26th May, 2016

Registered Office:

CARAVS, Room No. 28

15, Civil Lines, Jabalpur – 482 001



STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement set out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5

Mr Ashok Kapur's previous term as the Whole-time director of the Company expired on May 31, 2016.

Pursuant to the recommendation of the Nomination and Remuneration Committee the Board of Directors of the Company vide resolution passed on May 26, 2016, approved the appointment of Mr. Ashok K Kapur (DIN 00126807) as the Whole-time Director of the Company with effect from June 1, 2016 in accordance with the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013 for a period of three years i.e. up to May 31, 2019, subject to approval of members. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Mr Ashok K Kapur is a Mechanical Engineer having 45 years of experience in Gelatine industry. He has contributed immensely to the growth of the Company and his vast and rich experience in Gelatine Industry will be beneficial to the company. He has been the Chairman of Ossein & Gelatine Manufactures' Association of India and a Director of Gelatine Manufacturers Association of Asia Pacific and the Chairman of Ossein and Gelatine Panel of CAPEXIL. He is overall in-charge of the Company embracing the whole gamut of operations.

The details of remuneration payable to Mr. Ashok K Kapur and the terms and conditions of the appointment are given below:

1. Period of appointment - Three years from June 1, 2016 to May 31, 2019.
2. Nature of Duties: Mr. Kapur shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.
3. Remuneration, perquisites, allowances and benefits:
 - (i) Remuneration:

Basic Pay	₹ 1,50,000 per month
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 - (ii) Perquisites & Allowances:

HRA	₹ 75,000 per month
Conveyance Allowance	₹ 4,000 per month
Special Allowance	₹ 25,000 per month
Leave Travel Allowance	₹ 60,000 per annum

Medical reimbursement of actual expenses/ allowance for self and family subject to a limit of ₹ 15,000 per month
 - (iii) Other benefits:
 - (a) Earned / privilege leave – As per the rules of the Company
 - (b) Company's contribution to provident fund – As per the rules of the Company
 - (c) Gratuity – As per the rules of the Company
 - (d) Encashment of leave – As per the rules of the Company
 - (e) Company telephone – Use of the Company's telephone at the residence for official purposes, as per the rules of the Company
 - (iv) Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year closing on and after March 31, 2016, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Ashok K Kapur, remuneration by way of salary, performance bonus and other allowances not exceeding the limits specified under Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), or such other limits as may be prescribed by the government from time to time as minimum remuneration."
4. The agreement, executed between the Company and Mr. Ashok K Kapur, may be terminated by either party by giving three months' notice in writing of such termination.
5. The terms and conditions of the appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, subject to such approvals as may be required.
6. The terms and conditions of the appointment of Mr. Kapur also include clauses pertaining to adherence with the Code of Conduct, no conflict of interest with the Company and maintenance of confidentiality.
7. Mr. Kapur shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.



No director, except Mr. Ashok K Kapur, is deemed to be interested or concerned in his re-appointment and remuneration payable to him as a director in whole-time employment. The terms of re-appointment of Mr. Ashok K. Kapur, as stated in this notice, may be treated as the abstract of terms and conditions of re-appointment and memorandum of interest under Section 190 of the Companies Act, 2013. The copies of relevant resolutions of the Board and agreement with respect to the re-appointment is available for inspection by members at the registered office of the Company during working hours on any working day till the date of this AGM.

The Directors are of the view that the re-appointment of Mr. Ashok K. Kapur as Wholetime Director will be beneficial to the operations of the company. The Board accordingly recommends the resolution as set out in Item 5 of the Notice for approval of the members.

Item No. 6 to 8

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 Justice Gulab Gupta, Mr. Mohan C Pant and Mr. Deepak Chaudhuri were appointed as Independent Directors of the Company on 22nd September, 2014 for a period of two years and their term of office expires at this Annual General Meeting ('AGM').

Justice Gulab Gupta (DIN 00191368), Mr. Mohan C Pant (DIN 00257707) and Mr. Deepak Chaudhuri (DIN 00456234) being eligible, have offered themselves for re-appointment, and are proposed to be appointed as Independent Directors.

The Nomination and Remuneration Committee and the Board of Directors have recommended re-appointment of Justice Gulab Gupta, Mr. Mohan C Pant and Mr. Deepak Chaudhuri as Independent Directors of the Company, for a term of 5 (five) consecutive years commencing from the date of this AGM till the date of 60th AGM of the Company or till 21st September 2021, whichever is earlier.

Justice Gulab Gupta, Mr. Mohan C Pant and Mr. Deepak Chaudhuri have given declarations to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. Copy of the draft letters of appointment of Justice Gulab Gupta, Mr. Mohan C Pant and Mr. Deepak Chaudhuri as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

In the opinion of the Board, each of these Directors fulfil the conditions specified in the Companies Act, 2013 and Rules made thereunder for their appointment as Independent Directors of the Company and they are independent of the management. These Directors are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as a Director of the Company.

Notices have been received from members signifying their intention to propose the appointment of these Directors along with a deposit of Rs. 1,00,000/- each.

A brief profile of Independent Directors to be appointed, including nature of their expertise and other disclosure as required under SEBI Listing Regulations, is provided at Annexure A of this Notice.

Except these Directors, being appointees, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at item Nos. 6 to 8.

The Board recommends the resolution in relation to the appointment of these Directors as Independent Directors, for the approval by the shareholders of the Company.

By Order of the Board of Directors

For Narmada Gelatines Limited

Mahesh Verma

Company Secretary

26th May, 2016

Jabalpur

Registered Office:

CARAVS, Room No. 28

15, Civil Lines,

Jabalpur – 482 001



Details of Directors seeking re-appointment / appointment at the 55th Annual General Meeting (in pursuance of SEBI Listing Regulations and as per Secretarial Standard - General Meetings)

Name	Justice Gulab Gupta	Mr. Deepak Chaudhuri	Mr. Mohan C. Pant	Mr. Ravindra K Rajje	Mr Ashok K Kapur
DIN	00191368	00456234	00257707	00112003	00126807
Date of Birth	01.03.1933	13.07.1952	05.10.1939	30.06.1955	04.11.1947
Date of Appointment in AGM	28.09.2006	29.09.2003	28.09.2006	28.09.2006	20.07.2001
Qualification	B.A., L.L.B from Allahabad University and L.L.M. from U.S.A.	Graduate from St. Stephens College, New Delhi and Management course from Harvard University Graduate School of Business Management in U.S.A. 32 years of experience in sales and marketing	B.Sc., BE (Hons) 1961 from Govt. Engg. College, Jabalpur	Fellow member of the Institute of Chartered Accountants of India. He is also a qualified Company Secretary and a Bachelor of Law.	Mechanical Engineer
Expertise in specific functional areas and past experience	Judge of M.P., High Court, Jabalpur in 1985; later appointed Chief Justice of Himachal Pradesh High Court. Held the post of Governor, Rotary Club, Chairman - Human Rights Commission, M.P.; Vice- Chancellor -Rani Durgawati University, Jabalpur for two years, presently, a practicing Supreme Court Lawyer.		Worked for 36 years with MP State Electricity Board (MPSEB) and retired as a Board Member (Generation) in 1997. At present, he provides consultancy to MPSEB for trouble-shooting in Generating Plants. He is also a member of Arbitration Panel for MPSEB.	35 years of experience in industry and consultancy assignments.	45 years of experience in Gelatin Industry and Ex-Chairman of Osseli & Gelatine Manufactures' Association of India and Director of Gelatine Manufactures Association of Asia Pacific and Ex-Chairman Osselin and Gelatine Penal CAPEXL.
Directorship in other companies	Nil	Sunny Megabrands Exim (Pvt.) Ltd., M/s Imperial Cropcare (Pvt.) Ltd.	Nil	GWL Properties Ltd., Harshit Finlease & Investments Pvt. Ltd., Jumbo World Holdings (India) Pvt. Ltd., Jumbo Electronics Corporation Pvt. Ltd., MPL Corporation Ltd., Firestorm Electronics Corporation Pvt. Ltd., Primo Enterprises Pvt. Ltd., SMN Engineers Ltd., L'Aquila Investments Co. Pvt. Ltd., Viman Investments Pvt. Ltd., Wizer Advertising Pvt. Ltd., Aasman Management Services Pvt. Ltd., Derby Electricals (India) Pvt. Ltd., Healing Touch Angiography & Cardiac Surgery Centre Pvt. Ltd.	M/s GWL Properties Ltd., Jumbo World Holdings (India) Pvt. Ltd., Jumbo Electronics Corporation Pvt. Ltd., Primo Enterprises Pvt. Ltd., Viman Investments Pvt. Ltd., Aasman Management Services Pvt. Ltd., Dandvati Investments and Trading Company Pvt Ltd.
Memberships / Chairmanships of committees across public companies	Narmada Gelatines Ltd • Nomination & Remuneration Committee - Member • Audit Committee - Chairman	Narmada Gelatines Ltd • Nomination & Remuneration Committee - Chairman • Audit Committee - Member	Narmada Gelatines Ltd • Stakeholder's Relationship - Chairman • Audit Committee - Member	MPIL Corporation Ltd • Audit Committee - Member • Stakeholders Relationship Committee - Member GWL Properties Ltd • Audit Committee - Chairman • Stakeholders' Relationship Committee - Member Narmada Gelatines Ltd • Stakeholder's Relationship - Member	Narmada Gelatines Ltd • Nomination & Remuneration Committee - Member • Audit Committee - Chairman
Shareholding	Nil	Nil	Nil	378	1050
Details of Remuneration	Nil	Nil	Nil	Nil	30.87 lacs
Relationship with other Director / KMP's	None	None	None	None	None
No. of meetings of the Board attended during the year	4	3	4	4	4



NARMADA GELATINES LIMITED

CIN: L24111MP1961PLC016023

Registered office : 28, CARAVS, 15 Civil Lines, Jabalpur - 482001, M.P.
Website : www.narmadagelatines.com, Email : ngjjbp@rediffmail.com
Tel : Phone : (0761) 2830433

ATTENDANCE SLIP

55th ANNUAL GENERAL MEETING – 22nd September, 2016

DP ID*	Folio No.
Client ID*	No. of Shares

I hereby that, I am a registered shareholder/Proxy for the registered shareholder of the Company.

I hereby record my presence at the 55th ANNUAL GENERAL MEETING of the Company held on Thursday, 22nd September, 2016 at 11:30 a.m. at Hotel Narmada Jacksons, South Civil Lines, Jabalpur, M.P.

Member's/Proxy's Name in BLOCK Letters

Member's / Proxy's Signature

Note : Please fill in this Attendance Slip and hand it over at the Entrance of the Hall.

Route Map of AGM Venue





NARMADA GELATINES LIMITED

CIN: L24111MP1961PLC016023

Registered office : 28, CARAVS, 15 Civil Lines, Jabalpur - 482001, M.P.

Website : www.narmadagelatines.com, Email : ngljbp@rediffmail.com

Tel : Phone : (0761) 2830433

FORM No. MGT 11 - PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

55th ANNUAL GENERAL MEETING – 22nd September, 2016

Name of Member(s)	
Registered Address	
E-mail ID	
DP ID *	
Folio No./Client ID*	

* Signature of Investors holding shares in electronic form

I / We, being the member(s) of _____ shares of Narmada Gelatines Limited, hereby appoint:

1. _____ of _____ having e-mail ID _____ or failing him
2. _____ of _____ having e-mail ID _____ or failing him
3. _____ of _____ having e-mail ID _____

and whose signature(s) are appended below my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 55th Annual General Meeting of the Company, to be held on Thursday the 22nd day of September, 2016 at 11:30 a.m. at Hotel Narmada Jacksons, South Civil Lines, Jabalpur, M.P. and at any adjournment thereof in respect of such resolutions as are indicated below (see note iv below):

Resolution No.	Resolution	Vote		
		For	Against	Abstain
	ORDINARY BUSINESS			
1	To consider and adopt the audited Financial Statements, Reports of the Board of Directors and Auditors			
2	Declaration of dividend on equity shares			
3	Re-appointment of Mr. R.K. Rajee, as a Director			
4	Appointment of Auditors			
	SPECIAL BUSINESS			
5	Re-appointment of Mr. Ashok K Kapur as Whole time Director			
6	Re-appointment of Justice Gulab Gupta as an Independent Director			
7	Re-appointment of Mr. Mohan C. Pant as an Independent Director			
8	Re-appointment of Mr. Deepak Chaudhuri as an Independent Director			

Signed this _____ day of _____ 2016



Signature of Shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A Proxy need not be a member of the Company**
- A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- This is optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he / she so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but name of all the joint holders should be stated.



Construction of toilets and arrangements for safe drinking water



Promotion of child care and elder people



Promotion of education and literacy



Plantation and maintenance work at Bheraghat, Jabalpur



Narmada Gelatines Limited

Caravs, Room No. 28, 15, Civil Lines, Jabalpur - 482001

